

TOWN OF SOUTHAMPTON LONG ISLAND, NEW YORK



COMPREHENSIVE ***ANNUAL FINANCIAL REPORT*** **FOR THE YEAR ENDED** **DECEMBER 31, 2019**

TOWN OF SOUTHAMPTON, LONG ISLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019



PREPARED BY:

TOWN COMPTROLLER'S OFFICE

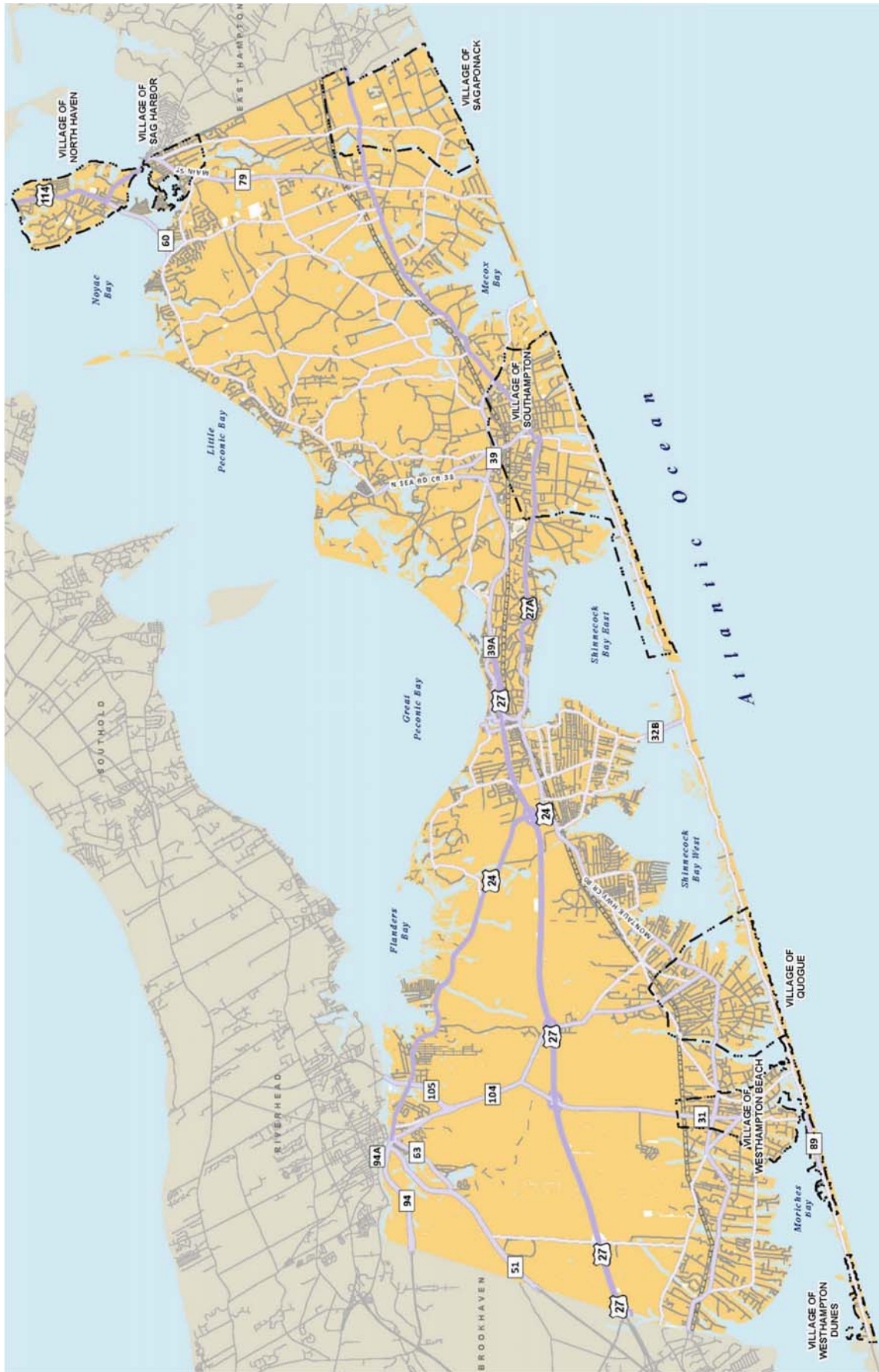
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INTRODUCTORY SECTION



TOWN OF SOUTHAMPTON

PRINCIPAL OFFICIALS

SUPERVISOR

JAY SCHNEIDERMAN

TOWN COUNCIL

JOHN BOUVIER

TOMMY JOHN SCHIAVONI

JULIE LOFSTAD

CHRISTINE PRESTON SCALERA

RECEIVER OF TAXES

THERESA A. KIERNAN

SUPERINTENDENT OF HIGHWAYS

ALEX D. GREGOR

TOWN CLERK

SUNDY SCHERMEYER

TOWN JUSTICES

DEBORAH KOOPERSTEIN

ANDREA SCHIAVONI

GARY J. WEBER

BARBARA WILSON

TOWN TRUSTEES

EDWARD J. WARNER JR., PRESIDENT

SCOTT HOROWITZ, SECRETARY/TREASURER

WILLIAM PELL IV

BRUCE STAFFORD

ANN WELKER

TOWN ATTORNEY

JAMES M. BURKE

TOWN COMPTROLLER

LEONARD J. MARCHESE, MBA, CPA

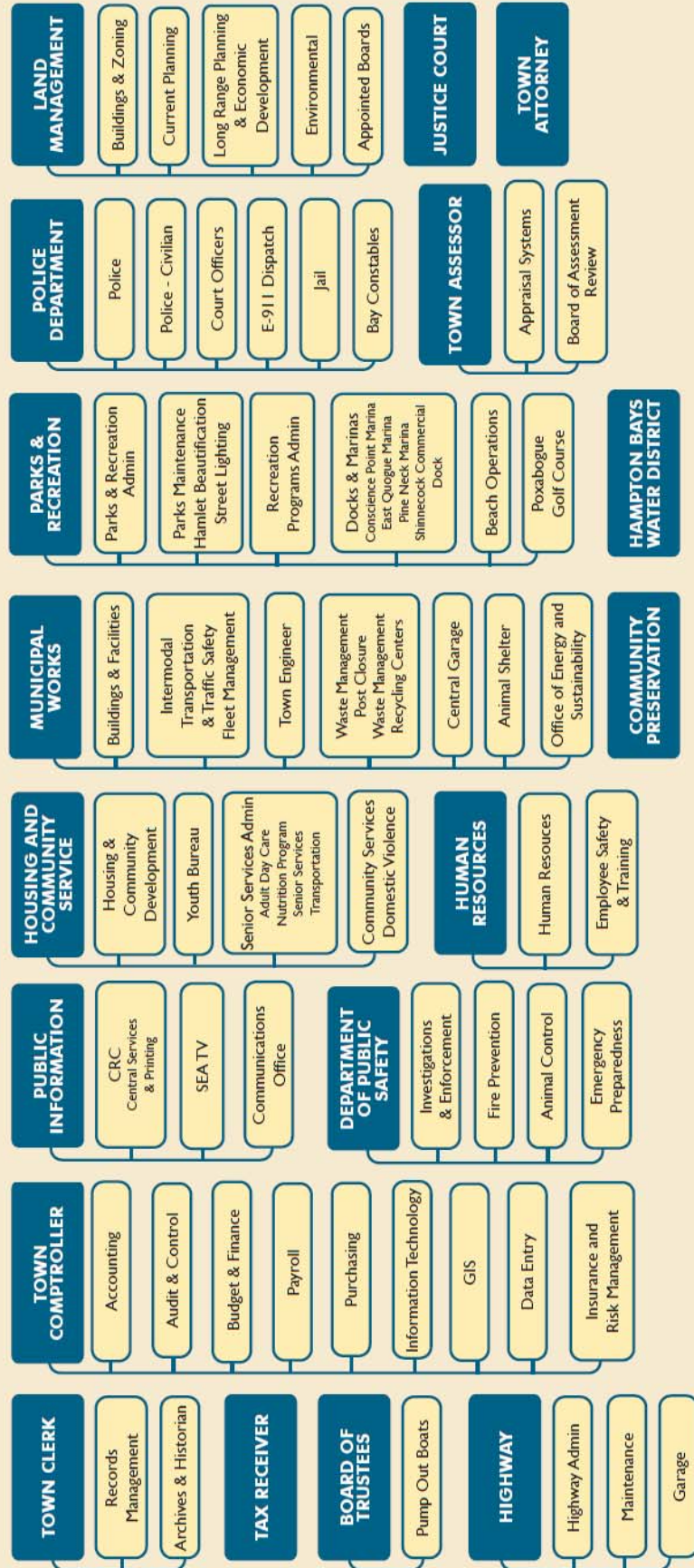
TOWN OF SOUTHAMPTON

ORGANIZATIONAL CHART

TOWN OF SOUTHAMPTON

SUPERVISOR

TOWN COUNCIL





JAY SCHNEIDERMAN
Supervisor

**TOWN OF
SOUTHAMPTON**
116 Hampton Road, Southampton, NY 11968

Telephone: (631) 283-6055
Fax: (631) 287-5708
jschneiderman@southamptontownny.gov

June 1, 2020

To the Town Board and Citizens of the
Town of Southampton, New York:

I hereby present the Comprehensive Annual Financial Report ("CAFR") of the Town of Southampton, New York, for the fiscal year ended December 31, 2019. This detailed town-wide report is a yearly requirement under federal law.

The report continues to demonstrate that the Town of Southampton maintains a strong financial footing. Our conservative budgeting practices and fiscal controls have earned the town the highest available bond rating, AAA. I am confident we will continue our path of balanced budgets, debt reduction and fiscal oversight that has led to our enviable financial standing. Confidence in the current management team was reflected in the recent reaffirmation of our Aaa bond rating by Moody's Investors Service. We are blessed with a large inventory of parkland holdings and a strong real estate market that has produced a steady growth in real property valuations. Growth in our tax base has helped Town government meet the needs of the community without increasing general fund tax rates. We continue to maintain excellent public services, promote economic development, improve our infrastructure and enhance public safety. The CAFR details our strict financial policies for investment, asset management, debt reduction, fund balance maintenance and capital project planning.

I would like to thank Comptroller Leonard Marchese and his staff for their efforts in the preparation of this report.

Sincerely,

Jay Schneiderman
Supervisor, Town of Southampton



Town of Southampton
116 HAMPTON ROAD
SOUTHAMPTON, NEW YORK 11968
TOWN COMPTROLLER

LEONARD MARCHESE
TOWN COMPTROLLER

Telephone (631) 702-1890
FAX (631) 287-5709

June 1, 2020

To the Town Board and Citizens of the
Town of Southampton, New York:

The Comprehensive Annual Financial Report ("CAFR") of the Town of Southampton, New York (the "Town") for the fiscal year ended December 31, 2019, prepared by the Office of the Comptroller is submitted herewith. General Municipal Law requires the Town to submit an annual report of the financial records and transactions presented in conformity with accounting principles generally accepted in the United States of America ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The Town of Southampton assumes full responsibility for the completeness and reliability of information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatements. This Comprehensive Annual Financial Report has also been prepared pursuant to the requirements of the Government Finance Officers Association ("GFOA") Certificate of Achievement for Excellence in Financial Reporting program.

The Town's financial statements have been audited by Nawrocki Smith LLP, a firm of licensed certified public accountants, who were selected by the Town Board to perform an independent audit and to form an opinion on the financial statements. The financial statements referred to above present fairly, in all material respects, the financial position of the Town of Southampton, New York as of December 31, 2019, and the changes in financial position for the year then ended in conformity with GAAP.

The Management's Discussion and Analysis ("MDA") and budgetary comparison information, located in the required supplementary information section following the independent auditor's report, provide an introduction, overview, and analysis of the basic financial statements and are used to supplement the financial statements.

The Town is required to undergo an annual "single audit" in conformity with the provisions of the Federal Single Audit Act Amendments of 1996 and the United States Office of Management and Budget's Uniform Guidance. Information related to this "single audit", including the schedule of expenditures of federal awards, findings and recommendations and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations are presented in a separate report, dated June 1, 2020.

Reporting Entity

This report includes government-wide financial statements (the “Town-Wide”), governmental fund financial statements, proprietary fund financial statements, and fiduciary fund financial statements, which are considered part of the Town of Southampton’s financial reporting entity. Criteria for determining the reporting entity and presentation of the related financial data are established by the Governmental Accounting Standards Board (“GASB”). The criteria include legal standing and financial accountability. Note 2 of the Notes to Financial Statements provides details on the financial reporting entity. A summary of the nature of significant component units and their relationship to the Town of Southampton is also provided in the Notes to Financial Statements.

General and Historical Information of the Town

The Town of Southampton is one of ten townships located in Suffolk County. It is located approximately 70 miles east from Manhattan on the South Fork of Long Island, and encompasses an area of approximately 140 square miles. The Town of Southampton is the largest and most populous of the five East End Towns of Suffolk County.

The Town is bordered on the north by the Town of Riverhead, the Peconic Bays and Shelter Island Sound; on the east by the Town of East Hampton; on the south by the Atlantic Ocean; and on the west by the Town of Brookhaven. The Town includes the Incorporated Villages of North Haven, Quogue, Sagaponack, Southampton, Westhampton Beach, and West Hampton Dunes, as well as most of the Village of Sag Harbor.

Southampton’s population is estimated at 57,975. The summer population can swell to twice that number or more. The Town of Southampton is considered a popular seasonal resort area drawing thousands of visitors and seasonal residents. Tourism and the vacation home industry drive the economic development engine of the Town. The Town’s many commercial facilities - hotels, motels, restaurants and recreational facilities - are associated with this activity. In addition, the Town is historically significant, being the site of the first English settlement (in 1640) in New York State and including the Halsey Homestead, built in 1648 (the oldest English saltbox house in the State); the Windmill at Water Mill, built in 1800; and the Old School House in Quogue, built in 1822. The historic hamlet heritage resources of the Town contribute to its attraction as a resort area, particularly within the hamlet centers and village business areas.

The economy within the Town is also based on real estate, professional services, construction trades and home maintenance services, and small businesses within hamlet centers relying upon both the year-round population base as well as summer visitors. The local economy is complimented by farming and fishing, with the second largest commercial fishery landing in New York State located in the Hamlet of Hampton Bays at the Shinnecock Inlet. The Town is also home to Gabreski Airport, a county owned facility that also serves as the base of the 106th - Air National Guard Rescue Wing of the United States Air Force. The largest employer within the Town, with over 700 employees, is Southampton Hospital, which provides access to a wide variety of medical specialties for a full range of clinical services. There are also 13 independently-governed school districts within the Town of Southampton, which also contribute to the local economy as public-sector employers.

Recreational facilities include beaches on the ocean and the bay, various County and Town parks located throughout the Town and Villages, and seven golf courses including the famous Shinnecock Hills (the oldest golf course in the Country) and home of the U.S. Men’s Open in 1896, 1986, 1995, 2004 and 2018, as well as Sebonack Golf Club, home of the 2013 U.S. Women’s Open. Police protection is provided by the Town and Villages, and fire protection by nine fire districts. Rail transportation is provided by the Long Island Railroad with stations at Speonk, Westhampton, Hampton Bays, Southampton and Bridgehampton. Highways include New York State Routes 27, 27A, and 24 as well as County and Town roads.

The Shinnecock Canal, the heart of the Southampton Town Summer resort area, provides a connecting waterway for vessels traveling from the Atlantic Ocean to the Great Peconic Bay. It also serves as part of the Inland Waterway extending from the Atlantic Beach Inlet in western Nassau County, to Block Island Sound. Without the Shinnecock Canal, boats from the south would have to travel all the way to Montauk Point in East Hampton before turning north. The Shinnecock Canal locks are Long Island's only operating navigational lock system.

Southampton's communities of East Quogue, Flanders, Hampton Bays, Northampton, Quogue, Remsenburg, Riverside, Speonk, Westhampton, and part of Eastport lie on the west side of the Shinnecock Canal. The communities of Bridgehampton, North Sea, Noyac, Sag Harbor, Shinnecock Hills, Tuckahoe, Water Mill, and the unincorporated area of Southampton lie on the east side of the Shinnecock Canal.

In addition to the seven incorporated villages in the Town of Southampton, there are two special populations: the Suffolk County Correctional Facility located in Riverside and the Shinnecock Nation, a federal-recognized tribe residing on a reservation situated in Shinnecock Hills. The Shinnecock Nation is self-governing; however, the Town Clerk of the Town of Southampton presides over elections for tribal trustees.

Town Government

The Town was established in 1801. Subject to the provisions of the New York State Constitution, the Town operates pursuant to the Town Law, the Local Finance Law, other laws generally applicable to the Town, and any special laws applicable to the Town. Under such laws there is no authority for the Town to have a charter, but pursuant to the Town Law and other laws generally applicable to home rule, the Town may from time-to-time adopt local laws.

The legislative power of the Town is vested in the Town Board. The Town Board consists of five members, including the Supervisor, who is the presiding officer and chief executive officer of the Town. The four Councilpersons are elected for a four-year term and the Supervisor is elected for a two-year term. The position of Councilperson and Supervisor can only be held for a maximum of eight years under a local law imposing term limits. The terms of the Town Councilpersons are staggered such that two are elected every two years.

The Supervisor is the chief fiscal officer and the budget officer of the Town. Additional elected Town officers are the Town Clerk (elected at large for a four-year term), the Receiver of Taxes, who is responsible for the collection of taxes (elected at large for a four-year term), the Superintendent of Highways (elected at large for a four-year term), four Town Justices (elected at large for a four-year term), and five Town Trustees (elected at large for a two-year term). The Town Trustees is a separate political body representing the Freeholders and Commonality of Southampton Township and rights conferred under the Dongan Patent over 370 years ago. The Town Trustees oversee matters related to the Town's waterways, creeks, ponds, and bay bottoms, including the construction of docks.

In addition, there are several administrative positions appointed by the Town Board including the Town Comptroller (for a two-year term), the Town Attorney (for a two-year term) and the Assessor (for a seven-year term). The Supervisor appoints a Deputy Supervisor, who serves in absence of the Supervisor, but has no voting powers when presiding at a Town Board meeting.

The Supervisor prepares a tentative budget each year that becomes the preliminary budget upon the scheduling of a public hearing thereon. After the public hearing, revisions, if any, are made and the budget is then adopted by the Town Board as its final budget for the coming fiscal year. The budget for the 2020 fiscal year of the Town was adopted by the Town Board in November 2019.

Although a Tentative Capital Program is presented by the Supervisor with the Tentative Annual Operating Budget on or before September 30th of each year, the Town adopts the Capital Program on or before November 20th of the preceding year, which coincides with the Annual Operating Budget process. The 2020-2024 Capital Program was adopted by the Town Board on November 20, 2019.

Thirteen independently governed school districts are located wholly or partially within the Town. There are nine independently governed fire districts located wholly or partially within the Town. Those school districts and fire districts rely on their own taxing powers granted by the State to raise revenues to support operating budgets and capital programs. The school districts and fire districts use the Town's assessment roll as their basis for taxation of property located within the Town. The Town of Southampton collects the taxes for the various school districts, fire districts and other special districts. Incorporated villages are independently governed and collect village taxes through their respective Village Clerk/Treasurers in addition to the property taxes collected by the Town for Town, County, and the various special districts.

Property taxes for the Town, together with the County, fire district and school district taxes, are collected by the Town Tax Receiver on a single tax bill. The taxes become a lien on December 1 and are payable in two equal payments without penalty by January 10th and May 31st, respectively. Penalties are imposed thereafter at the rate of 1% per month from the date such taxes are due (January 10th) and payable, and 10% after May 31st. The Tax Receiver distributes the collected tax money to the Town, fire districts and school districts prior to distributing the balance to the County. Uncollected amounts are not segregated by the Tax Receiver and any deficiency in tax collection is the County's responsibility. The Town thereby is assured of full tax collection.

Town of Southampton Credit Rating

The Town's Bond rating according to Standard & Poor's, was AAA. The Town's Bond rating according to Moody's Investors Service was Aaa. This commanding economic condition will allow the Town to continue to borrow at low interest rates for present and future projects.

The Town's strong bond rating (the highest rating on the Standard and Poor's and Moody's scale) allowed the Town to refinance existing debt and reduce future debt service interest on bonds. The rating has allowed the Town to establish an aggressive pay down strategy for all remaining debt. Equally significant is the strict control on new borrowing, a practice the Town's administration introduced and has resulted in a measurable decrease in debt service over each of the past 5 years, and will continue into 2020. The decrease in borrowing, favorable interest rates, and aggressive treasury management have resulted in a significant cost reduction for the Town and the taxpayer.

Economic Conditions and Outlook

The Town of Southampton enjoys a strong financial condition due to many years of sound fiscal management of Town resources.

The Town's budgets controlled spending, adhered to sound budgeting practices, reduced staffing, included new health benefit contributions from employees, and in many areas, reorganized and restructured for greater efficiency. The Town is now beginning to realize the full measure of these steps that were taken, and because of this, is now budgeting from a position of financial strength and stability, rather than from one of weakness and uncertainty. The Town is also beginning to see the benefit of a continuing stabilizing economy.

Due to the increasing demand for Town services, the Town's objective going forward is for the workforce to be commensurate with demand, particularly in public safety and maintenance of park facilities. The 2020 budget continues to ensure that those positions are financed and are adequate with the needs of the Town.

The Director of Public Safety is managing and optimizing the resources within four existing divisions - code enforcement, fire marshal, animal control and emergency preparedness. The Director has the overall responsibility of coordinating and managing emergency operations service, which are vital to public safety, especially during weather related emergencies.

The Director of the Office of Housing and Community Development is housed within the Department of Land Management and is responsible for the administration of several existing programs, including the buyer benefit program, and the Community Development Block Grant program (funded by the U.S. Department of Housing and Urban Development). Housing congestion in various parts of the Town is a quality of life issue which cannot be addressed by enforcement alone. The Director position will help foster and develop affordable housing opportunities within the Town of Southampton.

The practice of aggressive treasury management and strategic use of accrued savings have allowed the Town to pay down a significant portion of some of the most expensive borrowing undertaken in years. This practice builds on the principal of combining the ability to refund (the financial term for refinancing existing debt at lower rates), while applying improved fund balance because of stringent cost controls, and paying down debt in advance. This combined discipline has significantly reduced the cost of borrowing to the Town through both lower overall interest rates and reduction of the actual amount of outstanding debt.

Another strategy for limiting borrowing has been the institution of a "Pay-As-You-Go" policy, or a policy continued and sustained in this budget. It is a very important financial management tool, and moving the Town away from poorly conceived prior borrowing habits. The Town has eliminated the practice of using capital borrowing for employee salaries and short-lived capital assets, such as vehicles and computers. The "Pay-As-You-Go" fund has transferred expenses from capital borrowing and made those expenses components of the operating budget. As unanticipated needs arise, having a "Pay-As-You-Go" fund available to address various needs allows for flexibility without the necessity of cutting projects, depleting fund balance, or taking on additional borrowing.

In 1998, the voters of the five East End towns (East Hampton, Riverhead, Shelter Island, Southampton, and Southold) approved a referendum creating a Community Preservation Fund (the "Fund") for each Town, which is a conservation program to preserve open space and farmland in the five towns. The fund is financed by a 2% tax on most real estate sales. This is a one-time tax that the buyer of real estate is required to pay when purchasing a new or used home or vacant property. On November 10, 2015, Town Law 64-e was amended pursuant to Chapter 551 of the Laws of 2015, extending the effective date of the Community Preservation Fund Real Estate Transfer Tax until December 31, 2050. Since the Fund's inception, over 3,000 acres of land have been acquired and preserved in Southampton alone. As of December 31, 2019, the Fund's fund balance totaled \$70,574,363.

Residents of the Town voted, to approve the use of Community Presentation Fund proceeds for water quality improvement projects. The approval allows no more than 20% of the annual revenues generated from the transfer tax to be used for water quality improvement projects. The Town is required to list each project cost and how the project would improve existing water quality.

The Fund facilitates a voluntary program whereby landowners can sell their land or the development rights to the land to the respective towns at fair market value. The towns may issue bonds for purchases to be paid back through the life of the Fund with the 2% tax revenues. When a town finances an acquisition through the issuance of bonds, Section 64-e of Town Law requires the preparation of a report by or on behalf of the Town Supervisor which demonstrates how such indebtedness will be repaid by the Fund. The repayment report must include an estimate of projected revenues of the Fund during the period of indebtedness, an accounting of all other indebtedness incurred against the Fund to be repaid for the same period, and a finding that there will be sufficient revenue to repay such indebtedness in its entirety from the Fund.

The Town is generally responsible for providing certain services to the citizens, as required, on a Town-wide basis. The Town maintains a Town road system necessitating a regular road resurfacing and improvement program and the acquisition of machinery and equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. The Town is also primarily responsible for the financing and construction of surface and storm water drainage improvements, and the Town is regularly acquiring and improving recreation facilities. The Town generally has provided the financing for water facilities for the Hampton Bays Water District and maintains primary responsibility for this function. The Town is also responsible for the disposal of certain solid waste generated within the Town and will upgrade its four transfer stations as deemed necessary and appropriate.

Additionally, the Town finances park and community center improvements and technology infrastructure. In general, needs for capital financing for the above described projects for which the Town has responsibility are anticipated to continue and may substantially increase as certain requirements imposed on the Town by New York State or Federal regulations relating to its disposal of solid waste cause capital expenditures to be necessary.

The Town Board authorized the implementation of an easy to use informative website (www.southamptontownny.gov) that is reflective of the offerings and activities of the Town. This website offers information about the Town government and a comprehensive listing of the numerous services provided by the various Town of Southampton departments. As well as basic contact information for all Town Departments, the site provides answers to frequently asked questions and a narrative about each individual area. The site provides information on current events and news articles, up-coming purchasing bids, scheduled meetings and many other public interest activities. In addition, there is a community calendar of Town-wide events and public meetings, information regarding the elected officials with direct e-mail links to both the officials and individual departments.

Major Economic Development Initiatives

With the Town's operation house in good order, we can now more aggressively address our Town infrastructure including:

- Roads
- Drainage and storm water management
- Town Hall facilities
- Multiple Town structures located at the Jackson Avenue complex
- Trustee-owned bulkheads and piers

In addition to the infrastructure projects mentioned above, the Town will also be performing improvements to:

- Beach pavilions
- Town recreational facilities
- The Hampton Bays Community Center
- Information technology and security
- Dredging projects at Town marinas

Addressing these needs now is critical. Left unaddressed, these important infrastructure components represent a significant economic risk as repair and replacement costs due to normal wear and tear can hamper productivity, limit community access to recreational facilities, and burden our budget in ways inconsistent with the sound financial management practices we have put in place.

In addition, a number of these infrastructure projects address the need for Town facilities to be more resilient. Storms, during both winter and summer, take a huge toll on facilities, roads and buildings, and it bears noting that we have suffered no less than five named storms both winter and tropical in the last six years. Embedding more resiliency into our infrastructure, equates to fiscal responsibility.

Town Financial Information

Pursuant to Town Law 20.3(b), the Town Board established the Office of the Town Comptroller and assigned certain financial responsibilities to this office pursuant to Town Law 34, which include the administration and direction of the following divisions: Budget and Finance, Audit and Control, Payroll and Purchasing, as well as management of Town information systems. During 2012, the Town Board enacted Town Code Chapter 72 to codify the powers and duties granted to the Town Comptroller pursuant to New York State law, as well as the powers and duties delegated to the Town Comptroller by the Town Board.

Financial Policies

- Investment Policy - The Town's policy, was updated and adopted on February 11, 2014 and amended on April 14, 2015, and is consistent with the guidelines promulgated by the New York State Office of the State Comptroller, which the Town Board adopts each year.
- Capital Asset Policy - The Town adopted a Capital Asset Policy ("Asset Management Policy") in 2003, which formalizes the responsibility and reporting guidelines for all Town assets. This policy is detailed in the notes to the financial statements. The policy was updated and adopted on February 11, 2014.
- Debt Management Policy - The Debt Management Policy was implemented in 2004, and is detailed in the Management Discussion and Analysis section of these financial statements. The policy was updated and adopted on February 24, 2009.
- Fund Balance Policy - The Town of Southampton was one of the first towns on Long Island to adopt a Fund Balance Policy, which has become the model for other Town Boards. Such policy was adopted in 2005. The details of this policy can also be found in the Management's Discussion and Analysis section. Town Board enacted a Local Law (No. 6), in recognition of sound fiscal policy and to stabilize and preserve the current credit rating of the Town. The Town Board affirms its commitment to make all reasonable efforts to maintain a fund balance in its General Fund at the end of each fiscal year equal to no less than 17% of the total respective ensuing year's operating budget. Such fund balance will be inclusive of the reserve for tax stabilization purposes pursuant to Chapter 8 of the Town Code. For special districts and the part-town operating funds, the Town Board maintains unallocated fund balance of 7% of the total ensuing year's operating threshold. As a result, the Town's Fund Balance policy has been codified in Chapter 8 Budget by resolution 2015-195 on February 10, 2015 and follows and conforms to GASB Statement Number 54.
- Capital Program Policy - The Town adopted a Capital Program Policy during 2012 and it consists of a plan of capital projects proposed to be undertaken during a six-year period, the priority of their implementation, the estimated cost thereof, and proposed method of financing.
- Debt Reduction Policy - The Town adopted a Debt Reduction Policy during 2017 and it requires at least 75% of the difference between the prior years adopted budget projections and the actual fund balance reported, will be used to offset capital project borrowing in the current fiscal year. The allocation will be made by Town Board resolution, only within the fund from which the surplus fund balance originated. The status must be reported to the Town Board no later than March 31st of each year. The adoption of this amendment will help the Town utilize their surplus and help lower future costs to taxpayers.

Awards

The GFOA of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the past six years (2012 through 2018). To be awarded a Certificate of Achievement, a government must publish an easily readable and effectively organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable reporting requirements.

A Certificate of Achievement is valid for a period of one year only. I believe our current comprehensive annual financial report will meet the Certificate of Achievement Program's requirements and I am submitting it to the GFOA to determine its eligibility for the certificate.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Comptroller's Office and the guidance of our independent auditors, Nawrocki Smith LLP. I would like to express my appreciation to all members of the departments who assisted and contributed to its preparation.

Finally, I would like to thank the Supervisor and the members of the Town Board and Audit Advisory Committee for their continued leadership and support in planning and conducting the financial operations of the Town of Southampton in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'L. Marchese', with a long horizontal flourish extending to the right.

Leonard J. Marchese, MBA, CPA
Comptroller, Town of Southampton



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Town of Southampton
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO



NawrockiSmith

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Supervisor and Town Board of the
Town of Southampton:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Southampton (the "Town"), as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Southampton, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

NawrockiSmith

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, on pages 16-29 and 78-101, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board ("GASB"), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Southampton's basic financial statements. The introductory section, other supplementary information and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The other supplementary information on pages 102-115 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2020, on our consideration of the Town of Southampton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Southampton's internal control over financial reporting and compliance.

Melville, New York
June 1, 2020

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

The following is a discussion and analysis of the Town of Southampton's (the "Town") financial performance for the year ended December 31, 2019. This section is a summary of the Town's financial activities based on currently known facts, decisions and conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the Town's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The Town's primary government total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$931,796,321 (net position). This consists of \$1,090,276,909 invested in capital assets (net of related debt), \$97,290,805 restricted for specific purposes, offset by a deficit unrestricted portion of \$255,771,393.
- The Town's primary government net position increased \$27,073,650 in 2019 compared to \$44,065,315 in 2018.
- The Town's total bonded indebtedness decreased \$24,106,869 and governmental fund expenditures related to debt service (principal and interest) increased \$22,691,087 from fiscal year ended December 31, 2018, as the Town paid debt related to the Community Preservation Fund. The Town expects future debt service to decrease as the Town was able to take advantage of lower interest rates by refunding eligible debt.
- The Town's total governmental operating funds fund balance decreased \$2,141,100 as compared to an increase of \$507,339 in 2018. The decrease in the change in fund balance is primarily related to bond refunding and increased transfers out. A detailed analysis of these changes can be found later in this section.
- The Town's total business-type activities (proprietary funds) reported an operating deficit of \$26,541 in 2019. This is a decrease of \$542,271, compared to 2018.
- The General Fund fund balance increased \$545,679 to \$23,709,999 of which \$2,345,959 was nonspendable, \$4,821,048 was restricted, \$681,217 was assigned, and \$15,861,775 was unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of five parts: the introductory section, basic financial statements, required supplementary information including management's discussion and analysis (this section), other supplementary information and statistical information. The basic financial statements include two kinds of financial statements that present different views of the Town:

- The first two financial statements are government-wide financial statements (the "Town-wide") that provide both short-term and long-term information about the Town's overall financial status (see pages 30 and 31).
- The remaining financial statements are fund financial statements that focus on individual parts of the Town, reporting the Town's operations in more detail than the government-wide (the "Town-wide") financial statements.
 - The *governmental fund financial statements* tell how basic services were financed in the *short-term* as well as what remains for future spending (see pages 32 through 35).
 - *Proprietary fund financial statements* provide both short-term and long-term information on the Town's business-type activities with the primary revenue sources being charges for services (see pages 36 through 38).
 - *Fiduciary fund financial statements* provide information about the financial relationships in which the Town acts solely as a trustee or agent for the benefit of others (see page 39).

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Reporting the Town as a Whole

The analysis of the Town as a whole begins on page 30. One of the most important questions asked about the Town's finances should be, "Is the Town as a whole better off or worse off as a result of the current year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These financial statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two financial statements report the Town's net position and changes in them. You can think of the Town's net position - the residual balance of assets plus deferred outflows of resources minus liabilities and deferred inflows of resources - as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Activities, we divide the Town into three categories:

- *Governmental activities* - Most of the Town's basic services are reported here, including police, fire, public works, parks departments and general administration. Property taxes, franchise fees, and State and Federal grants finance most of these activities.
- *Business-type activities* - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's waste management, golf course and beaches and marinas facilities are reported here.
- *Component units* - The component units are legally separate organizations for which the Town is either financially accountable, or the nature and relationship with the Town is such that exclusion would cause the Town's financial statements to be misleading or incomplete. The Town includes two discretely presented component units (Town of Southampton Housing Authority and the Trustees of the Freeholders and Commonalty of the Town of Southampton) as separate columns on the Town-wide financial statements. Complete financial statements of the component units can be obtained from their administrative office (see Note 2).

Reporting the Town's Most Significant Funds

Fund financial statements present financial information in the traditional governmental accounting format, with an emphasis on the most significant funds. Our analysis of the Town's major funds begins on page 32. Some funds are required to be established by New York State law and by bond covenants. However, the Town establishes many other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (grants received from the U.S. Department of Housing and Urban Development). The Town's three kinds of funds - governmental, proprietary and fiduciary - use different accounting approaches.

- *Governmental Funds* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds (pages 32 and 34) in a reconciliation following each of the governmental fund financial statements (pages 33 and 35).

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

- *Proprietary Funds* - When the Town charges customers for the services it provides - whether to outside customers or to other units of the Town - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the Town-wide financial statements but provide more detail and additional information, such as cash flows, for proprietary funds (pages 36-38).
- *Fiduciary Funds* - Fiduciary funds are used to account for resources that are earmarked for the benefit of other parties, and are not reflected on the Town-wide financial statements because those funds are not available to support the Town's activities (page 39).

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Financial Highlights:

Net position

The Town's total assets and deferred outflows on December 31, 2019 were approximately \$1.4 billion. Total liabilities and deferred inflows of resources were \$485.5 million. The result is a net position of \$931.8 million, an increase of \$27.1 million over the prior year.

- Working capital of \$133.6 million on December 31, 2019 compared with the December 31, 2018 working capital of \$165.4 million, decreased primarily due to a \$29.6 million decrease in restricted cash.
- Net investment in capital assets of \$1.1 billion (compared to \$1.0 billion in 2018) increased primarily due to a reduction of bonds payable as a result of scheduled debt service payments, offset by capital outlay exceeding current year depreciation charges.
- The Town's restricted net position decreased \$27.3 million. This classification represents assets subject to external restrictions. The increase is mainly due to a decrease in restricted net position for community preservation operations.
- The Town reported an increase in deferred outflows of resources. The increase is the result of changes of assumptions or other inputs related to the total OPEB liability (see Note 12 to financial statements for more information).

Table 1: Condensed Statements of Net Position Governmental and Business-type Activities - Primary Government As of December 31,						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Assets:						
Current assets	\$ 152,904,510	\$ 186,573,783	\$ 2,782,524	\$ 4,243,977	\$ 155,687,034	\$ 190,817,760
Capital assets, net	1,150,579,649	1,110,746,714	25,180,972	22,698,937	1,175,760,621	1,133,445,651
Total assets	\$ 1,303,484,159	\$ 1,297,320,497	\$ 27,963,496	\$ 26,942,914	\$ 1,331,447,655	\$ 1,324,263,411
Deferred outflows of resources	\$ 85,611,065	\$ 23,206,595	\$ 274,740	\$ 524,614	\$ 85,885,805	\$ 23,731,209
Liabilities:						
Current liabilities	\$ 20,898,860	\$ 24,308,166	\$ 1,205,658	\$ 1,071,190	\$ 22,104,518	\$ 25,379,356
Long-term liabilities	435,649,527	373,869,022	6,965,236	6,136,390	442,614,763	380,005,412
Total liabilities	\$ 456,548,387	\$ 398,177,188	\$ 8,170,894	\$ 7,207,580	\$ 464,719,281	\$ 405,384,768
Deferred inflows of resources	\$ 20,592,506	\$ 37,370,778	\$ 225,352	\$ 516,403	\$ 20,817,858	\$ 37,887,181
Net position:						
Net investment in capital assets	\$ 1,072,785,231	\$ 1,008,090,488	\$ 17,491,678	\$ 15,882,708	\$ 1,090,276,909	\$ 1,023,973,196
Restricted	97,261,664	124,549,788	29,141	47,315	97,290,805	124,597,103
Unrestricted	(258,092,564)	(247,661,150)	2,321,171	3,813,522	(255,771,393)	(243,847,628)
Total net position	\$ 911,954,331	\$ 884,979,126	\$ 19,841,990	\$ 19,743,545	\$ 931,796,321	\$ 904,722,671

TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Change in Net Position

The Town's program revenues for the year ended December 31, 2019 were \$71.4 million, a decrease of \$11.5 million from 2018, primarily related to decreases in operating grants and contributions and capital grants and contributions. General revenues of \$91.9 million were slightly higher (\$453K) than last year. Total combined revenues for 2019 were \$163.3 million, a decrease of \$11.0 million from 2018. Expenses for the year ended December 31, 2019 were \$136.2 million reflecting an increase of \$5.9 million compared to 2018, which is primarily related to increases in General Governmental Support and Public Safety. This resulted in an increase in net position for the year ended December 31, 2019 of approximately \$27.1 million. The table below outlines a comparison of revenues and expenses for the Primary Government for the years ended December 31, 2019 and 2018:

Table 2: Condensed Statements of Activities Governmental and Business-type Activities - Primary Government For the Years Ended December 31,						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Program revenues:						
Charges for services, fees, fines and forfeitures	\$ 11,685,664	\$ 13,008,301	\$ 4,690,149	\$ 4,812,084	\$ 16,375,813	\$ 17,820,385
Operating grants and contributions	52,995,032	59,664,615	44,676	15,324	53,039,708	59,679,939
Capital grants and contributions	1,951,601	5,366,999	-	-	1,951,601	5,366,999
Total program revenues	66,632,297	78,039,915	4,734,825	4,827,408	71,367,122	82,867,323
General revenues:						
Real property taxes	76,352,093	73,419,542	510,713	250,195	76,862,806	73,669,737
Other real property tax items	702,499	584,630	-	-	702,499	584,630
Non-property tax items	1,866,166	1,898,978	-	-	1,866,166	1,898,978
Interest earnings	4,226,810	3,371,457	31,624	28,455	4,258,434	3,399,912
State aid - unrestricted	7,866,061	11,432,391	-	-	7,866,061	11,432,391
Sale of property and compensation for loss	336,038	406,399	-	-	336,038	406,399
Miscellaneous	-	47,059	-	-	-	47,059
Total general revenues	91,349,667	91,160,456	542,337	278,650	91,892,004	91,439,106
Total revenues	157,981,964	169,200,371	5,277,162	5,106,058	163,259,126	174,306,429
Program expenses:						
General governmental support	30,307,541	27,606,745	-	-	30,307,541	27,606,745
Public safety	54,633,234	52,396,830	-	-	54,633,234	52,396,830
Health	3,339,280	3,201,042	-	-	3,339,280	3,201,042
Transportation	11,372,242	12,399,397	-	-	11,372,242	12,399,397
Economic assistance and opportunity	6,218,747	5,523,552	-	-	6,218,747	5,523,552
Culture and recreation	6,291,551	5,665,045	-	-	6,291,551	5,665,045
Home and community services	16,974,727	16,138,172	-	-	16,974,727	16,138,172
Interest on debt	2,169,437	2,843,540	-	-	2,169,437	2,843,540
Beaches and marinas	-	-	2,179,018	1,938,923	2,179,018	1,938,923
Waste management	-	-	2,598,622	2,441,617	2,598,622	2,441,617
Golf course	-	-	101,077	86,251	101,077	86,251
Total expenses	131,306,759	125,774,323	4,878,717	4,466,791	136,185,476	130,241,114
Excess before transfers	26,675,205	43,426,048	398,445	639,267	27,073,650	44,065,315
Interfund transfers	300,000	689,796	(300,000)	(689,796)	-	-
Change in net position	26,975,205	44,115,844	98,445	(50,529)	27,073,650	44,065,315
Total net position, beginning of year	884,979,126	840,863,282	19,743,545	19,794,074	904,722,671	860,657,356
Total net position, end of year	\$ 911,954,331	\$ 884,979,126	\$ 19,841,990	\$ 19,743,545	\$ 931,796,321	\$ 904,722,671

Governmental Activities

Revenues for the Town's governmental activities decreased \$11.2 million, or 6.6%. Program revenues totaling \$66.6 million accounted for 42.2% of total governmental activities revenue, and decreased \$11.4 million, primarily due to decreases in operating grants and contributions and capital grants and contributions. General revenues, which includes revenue from property taxes and other tax items, totaled \$91.3 million, or 57.8% of total revenues, and increased by \$189,211 mainly as a result of a budgeted increase in property tax revenue and an increase in interest earnings, offset by decreased state aid.

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

- Charges for services, fees, fines and forfeitures decreased \$1.3 million, as a result of decreased revenue from various Town issued licenses and permits, as well as general decreases in departmental income. Departmental income is mainly derived from services provided to Town residents such as inspections, rentals of Town property, and fees for review of site plans and other improvement projects.
- Operating grants and contributions decreased \$6.7 million mainly as a result of decreased revenue from the Community Preservation Fund transfer tax. This revenue fluctuates from year to year in proportion with the amount of real estate sold in the Town.
- Capital grants and contributions decreased \$3.4 million primarily as a result of decreased grant revenues for ongoing capital projects related to various capital projects such as, Tiana Beach Levee, Ponquogue Bridge, Riverside revitalization, and the Nathaniel Rogers House.

Expenses for the Town's governmental activities on the full accrual basis of accounting increased \$5.5 million, or 4.4%. Expenses relating to general governmental support, public safety, transportation and home and community services totaled \$113.3 million and accounted for 86.3% of total expenses.

- General governmental support and public safety reported the majority of the increase, totaling \$4.9 million. This increase is mainly due to the change in the Town's proportionate share of the net pension liability and the related inflows and outflows as well as, the increase in the Town's liability for other post-employment benefits expense. On the full accrual basis of accounting, expenses related to employee benefits are reported in the functional category that gives rise to the expense. General governmental support and public safety account for approximately 70% of the Town's payroll expense, therefore changes in employee benefit related items affect these categories more.

The cost of all governmental activities this year was \$131.3 million (page 31). However, as shown in the Statement of Activities, the amount that taxpayers ultimately financed for these activities through Town taxes was only \$76.4 million, because some of the cost was paid by those who directly benefited from the programs (\$11.7 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$54.9 million).

Table 3 presents the cost of the Town's governmental activities as well as the net cost of services (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions (see page 31).

Table 3: Net Costs of Services Governmental Activities For the Years Ended December 31,						
	Total Cost of Services		Program Revenues		Net (Cost) of Services	
	2019	2018	2019	2018	2019	2018
General governmental support	\$ 30,307,541	\$ 27,606,745	\$ 44,447,750	\$ 55,108,881	\$ 14,140,209	\$ 27,502,136
Public safety	54,633,234	52,396,830	5,564,767	2,983,421	(49,068,467)	(49,413,409)
Health	3,339,280	3,201,042	-	-	(3,339,280)	(3,201,042)
Transportation	11,372,242	12,399,397	2,972,524	2,330,447	(8,399,718)	(10,068,950)
Economic assistance and opportunity	6,218,747	5,523,552	1,511,702	1,544,613	(4,707,045)	(3,978,939)
Culture and recreation	6,291,551	5,665,045	1,000,197	3,689,160	(5,291,354)	(1,975,885)
Home and community services	16,974,727	16,138,172	11,135,357	12,383,393	(5,839,370)	(3,754,779)
Interest on debt	2,169,437	2,843,540	-	-	(2,169,437)	(2,843,540)
	<u>\$ 131,306,759</u>	<u>\$ 125,774,323</u>	<u>\$ 66,632,297</u>	<u>\$ 78,039,915</u>	<u>\$ (64,674,462)</u>	<u>\$ (47,734,408)</u>

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table 4: Sources of Revenues for Fiscal Year 2019 - Governmental Activities

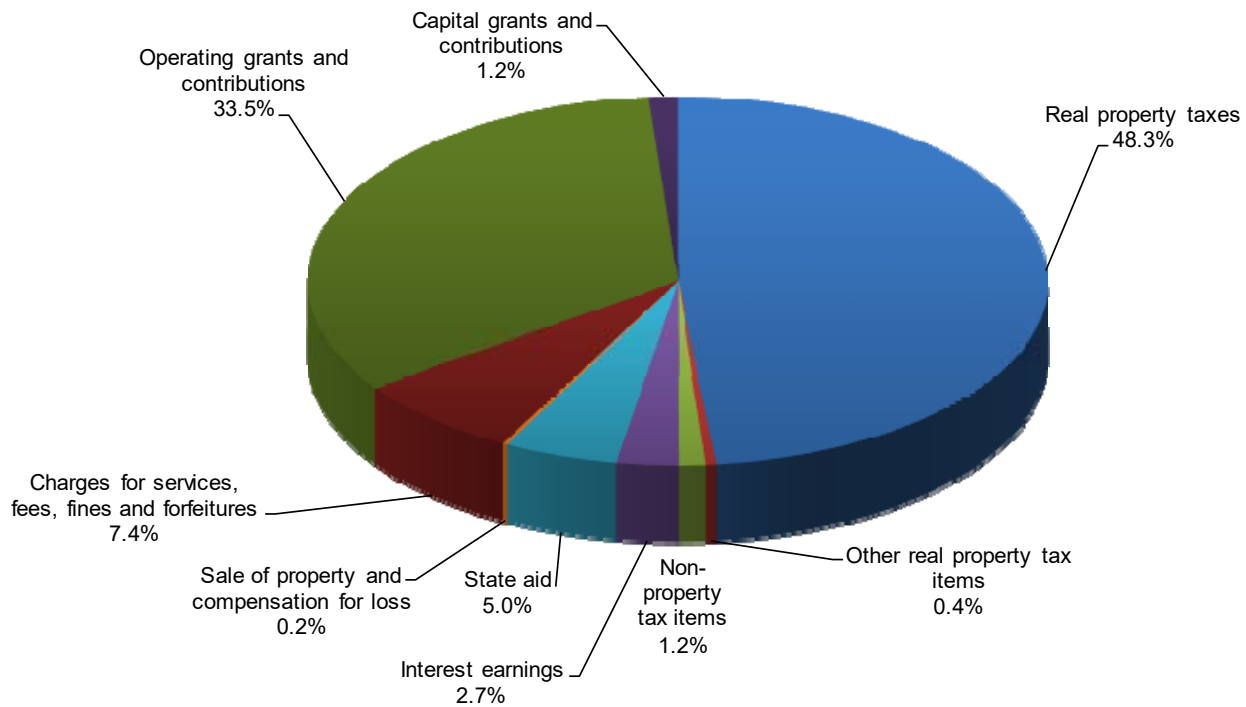
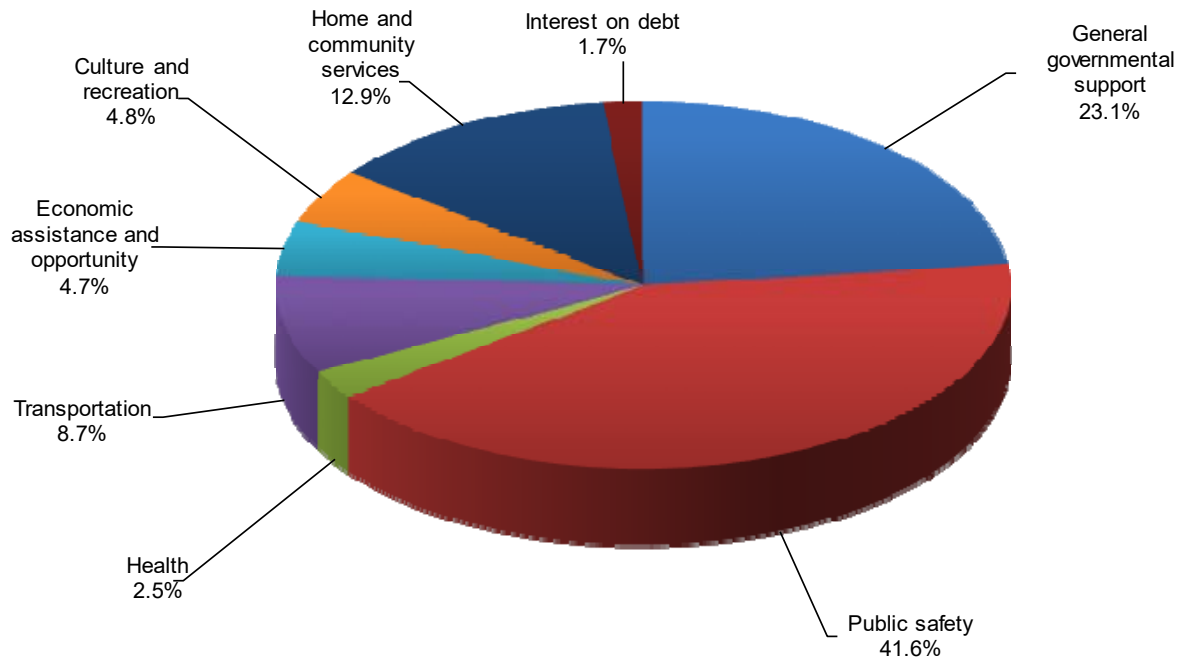


Table 5: Expenses for Fiscal Year 2019 - Governmental Activities



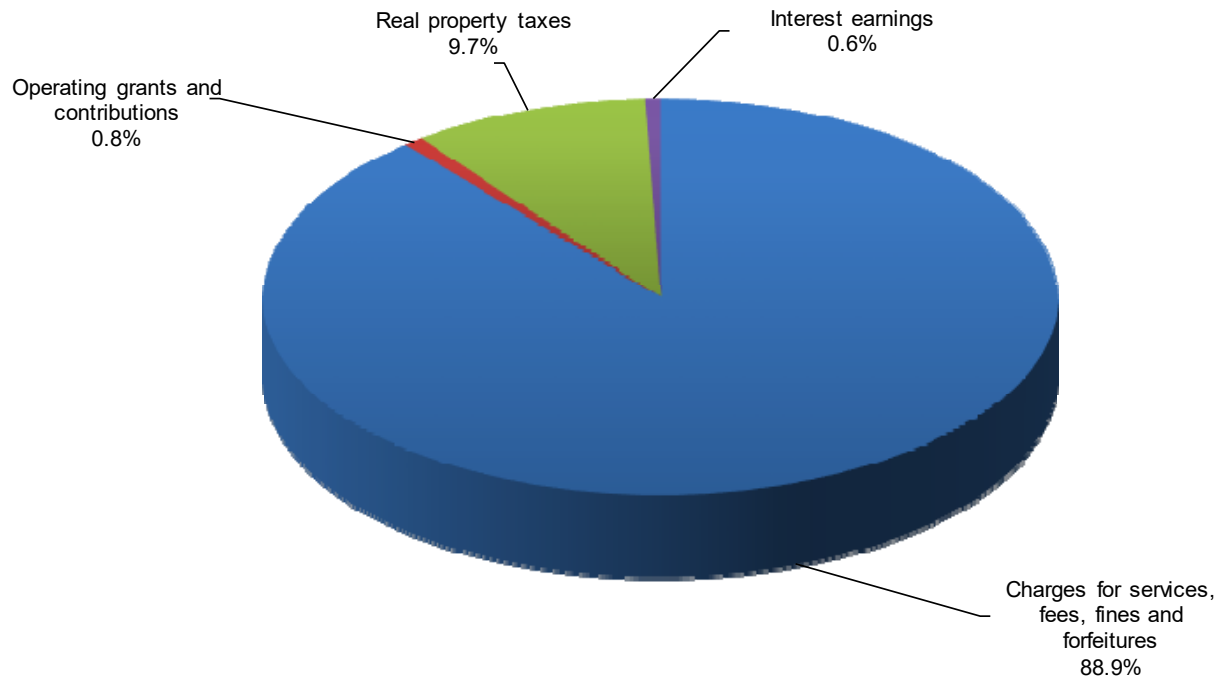
**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Business-Type Activities

The Town's total program revenues from business-type activities decreased by \$92,583, or 1.9% from 2018. Some significant year-end financial data relating to these entities are highlighted as follows:

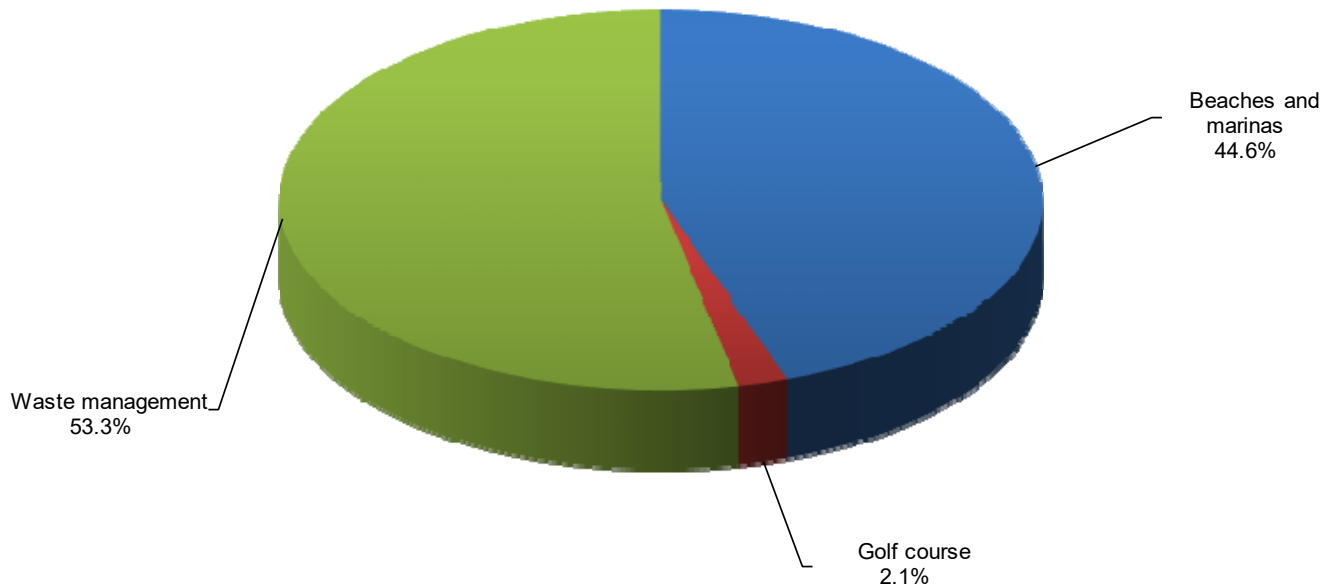
- Operating revenues in the Beaches and Marinas Fund totaled \$2.2 million in 2019 which is an increase of \$130,956 from 2018. The fund increased net position by \$56,105, as compared to a decrease of \$83,836 in 2018. Non-operating activity increased \$231,983, as a result of a decrease in interfund transfers out of \$215,000. The Fund's ending net position was approximately \$11.3 million (see page 37).
- Operating revenue in the Waste Management Fund totaled \$2.3 million in 2019 which is a decrease of \$90,961 from 2018. The decrease is the result of decreased landfill usage. Net position increased \$66,527 in 2019. Non-operating activity resulted in an increase of \$456,611, compared to a decrease of \$123,437 in 2018. The variance is the result of increased real property taxes and decreased interfund transfers out in 2019. The Fund's ending net position was approximately \$2.4 million (see page 37).
- The Poxabogue Golf Course Fund decreased net position by \$24,187 in 2019. Operating revenues decreased by \$161,930, as a result of donated capital assets in 2018. The Town's expenses increased \$14,826. Non-operating activity increased \$2,651 due to increased interest income. The Town has a contract with a third-party to operate the Golf Course, and receives a portion of the revenue received as stated in the concession agreement. Total net position for 2019 was approximately \$6.2 million (see page 37).

Table 6: Sources of Revenues for Fiscal Year 2019 - Business-Type Activities



**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table 7: Expenses for Fiscal Year 2019 - Business-Type Activities



FINANCIAL ANALYSIS OF CERTAIN TOWN GOVERNMENTAL FUNDS

Governmental Funds

General Fund assets decreased \$1.0 million mainly as a result of a decrease cash and cash equivalents of \$5.8 million, offset by an increase in due from other funds of \$4.0 million. The decrease in cash and cash equivalents is due partly to the timing of payments received near year-end, specifically for subsequent year's property taxes.

The General Fund reported an increase in fund balance of \$545,679, compared to an increase in 2018 of \$746,728. Revenues increased \$1.5 million driven by a budgeted increase in real property taxes. Expenditures increased by \$1.3 million from 2018, primarily due to minor increases in most categories. Total other financing sources decreased \$379,727 resulting from amounts related to the bond refunding and increased transfers out.

The General Fund's spendable fund balance consists of \$15.9 million in unassigned funds, restricted reserves of \$4.8 million, and \$681,217 in assigned fund balance, which combined, represents 52.5% of annual General Fund operating expenditures. The Town has adopted a resolution to commit the excess fund balance to reduce future borrowing for capital projects.

The Town's share of assets in the Police District Fund decreased \$890,688, as a result of a decrease in state and federal aid receivables offset by an increase in cash and cash equivalents. Liabilities decreased \$13,870 due to a decrease in accounts payable due to timing of payments.

The Police District Fund fund balance increased \$547,668 as a result of the increase in revenues and the decrease in expenditures. Expenditures decreased \$414,289 and is mostly related to decreased personnel costs due to the Town of Southampton hosting the U.S. Open golf tournament in 2018.

The Town Outside Village Fund assets decreased \$1.0 million mainly driven by a decrease in cash and cash equivalents.

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

The Town Outside Village Fund recorded a decrease in fund balance of \$876,658. Revenues decreased \$659,552 due to decreases in current year revenues from departmental income and licenses and permits. Expenditures increased \$188,045 mostly due to personnel costs and related employee benefits expenditures.

The Highway Fund assets decreased \$108,887 due to a decrease in state and federal aid receivables offset by an increase in cash and cash equivalents. The increase in cash and cash equivalents is the result of collections of prior year accounts receivable and the operating results of the fund. Liabilities in the Highway Fund increased by \$127,661 as a result of timing of payments made near year-end for road maintenance and construction.

Highway Fund revenues increased \$180,549 mainly due to an increase in state aid. Expenditures decreased \$265,973 and is the result of decreases in personnel costs and related employee benefits.

Public Safety Communications Fund assets decreased \$71,009. The decrease is driven by a decrease in cash and cash equivalents offset by an increase in state and federal aid receivables.

Revenues in the Public Safety Communications Fund increased \$158,935 mainly due to increases in real property taxes. Expenditures increased \$201,039, mainly as a result of increased personnel costs and related benefit expenditures.

Capital outlay totaled \$25.2 million in 2019, which is an increase of \$10.7 million from 2018. The Town issued public improvement serial bonds totaling \$15.2 million, which will be paid for by governmental funds. Capital Projects Fund revenues decreased \$3.1 million mainly as a result of decreased State, federal and local grants. Cash restricted for capital improvements totaled \$26.2 million in 2019. Total liabilities increased \$429,278 as a result of increases in accounts payable and due to other funds due to timing of payments related to ongoing projects.

In the Community Preservation Fund, fund balance decreased by \$25.5 million as a result of increases in land purchases and development rights and debt service payments. In 2018, the Community Preservation Fund purchased \$14.5 million in land and development rights, and in 2019 the fund purchased \$27.6 million in land and development rights. Total fund balance restricted for the Community Preservation Fund operations was \$70.6 million.

Total assets in the non-major governmental funds were \$12.5 million in 2019 which is \$2.6 million lower than 2018. The decrease is due to a decrease in cash and cash equivalents as a result of operating results and a decrease in property taxes paid in advance.

At December 31, 2019, the Town's governmental funds had a combined fund balance of \$130.9 million, which is a decrease of \$27.0 million from the previous year. Fund balances for the Town's governmental funds for the past two years were as follows:

Table 8:		
Fund Balances		
As of December 31,		
<u>Governmental Funds:</u>	<u>2019</u>	<u>2018</u>
General Fund	\$ 23,709,999	\$ 23,164,320
Police District Fund	2,749,460	2,201,792
Town Outside Village Fund	2,210,937	3,087,595
Highway Fund	4,174,492	3,605,901
Public Safety Communications Fund	976,915	905,135
Capital Projects Fund	18,157,083	17,440,917
Community Preservation Fund	70,574,363	96,103,620
Non-Major Governmental Funds	8,367,994	11,366,154
Total fund balances	<u>\$ 130,921,243</u>	<u>\$ 157,875,434</u>

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's General Fund budget generally contains budget amendments during the year. The budget is allowed to be increased for additional current year appropriations that are supported by an increase in budgeted revenues. Below is a summary of the General Fund budgetary results of operations:

Table 9:				
General Fund Budget				
For the Year Ended December 31, 2019				
	<u>Budgeted Amounts</u>		<u>Actual Including</u>	<u>Variance with</u>
	<u>Original</u>	<u>Revised</u>	<u>Encumbrances</u>	<u>Final Budget</u>
Revenues	\$ 43,096,461	\$ 43,098,921	\$ 41,544,009	\$ (1,554,912)
Expenditures	44,237,311	44,099,866	40,751,729	3,348,137
Other financing sources (uses)	1,140,850	1,000,945	(327,818)	(1,328,763)
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 464,462</u>	<u>\$ 464,462</u>

Overall the General Fund performed better than anticipated. The performance was driven by lower than anticipated total revenues of \$1.5 million, and a savings in expenditures of \$3.4 million. The Town originally appropriated \$600,000 of fund balance, but performed better by \$464,462. Some highlights include:

- Revenues from fines and forfeitures were \$506,479 lower than anticipated.
- Revenues from State aid were \$1.0 million lower than expected as a result of lower than anticipated mortgage tax aid.
- After encumbrances, general governmental support expenditures recorded a savings of \$1.4 million, as spending in almost all categories was less than anticipated.
- Public safety expenditures were less than anticipated by \$452,360.
- Economic assistance and opportunity expenditures were less than anticipated by \$233,949.
- Culture and recreation expenditures were less than anticipated by \$212,008.
- Home and community services expenditures were less than anticipated by \$59,506.
- Employee benefit expenditures were less than anticipated by \$919,382.

A budgetary comparison schedule within the required supplementary information section of this report has been provided for further analysis in regards to the General Fund budget on pages 78-84.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2019, the Town had \$1.2 billion invested in a broad range of capital assets, including beaches, land, police equipment, buildings, park facilities, roads, bridges and water infrastructure (See Table 10).

The Town's fiscal year 2019 capital budget included the continuation of funding for infrastructure improvements. Of the \$40.5 million capital spending plan in 2019, \$5.6 million was dedicated to the reconstruction of roads, bridges, and drainage improvement projects, \$14.6 million was dedicated to municipal works projects, \$6.2 million was dedicated to parks and recreation and other revitalization programs, and the remainder of the budget was allocated to various information technology upgrades and other general business improvements. For more information regarding capital assets see Note 7 in the notes to financial statements.

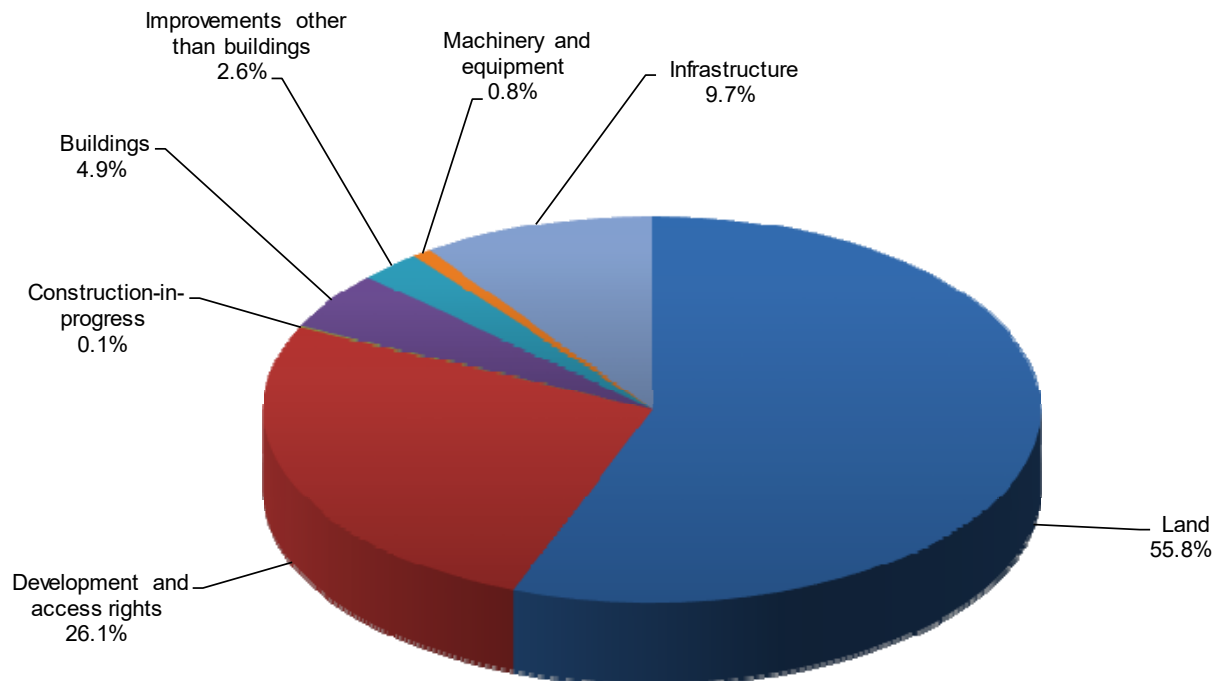
**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table 10:

Capital Assets
As of December 31,

	2019	2018
Governmental Activities:		
Land	\$ 642,169,436	\$ 611,482,582
Development and access rights	306,624,454	304,532,100
Construction-in-progress	1,279,074	12,773,843
Buildings	50,944,856	32,262,170
Improvements other than buildings	26,949,866	25,862,150
Machinery and equipment	8,481,198	8,263,637
Infrastructure	114,130,765	115,570,232
Total	<u>\$ 1,150,579,649</u>	<u>\$ 1,110,746,714</u>
Business-type Activities:		
Land	\$ 13,329,090	\$ 13,329,090
Construction-in-progress	-	469,507
Buildings	6,191,554	3,003,193
Improvements other than buildings	4,165,456	4,566,256
Machinery and equipment	1,494,872	1,330,891
Total	<u>\$ 25,180,972</u>	<u>\$ 22,698,937</u>

Table 11: Capital Assets, Net for Fiscal Year 2019



**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Long-Term Debt

The Town's bond rating is AAA according to Standard and Poor's Ratings Services and Aaa according to Moody's Investment Services.

The Town's debt management policy limits the Town's debt service funded by taxpayers to not more than 15% of operating expenditures, excluding the Community Preservation Fund. For 2019, the Town's governmental funds total debt service was approximately \$40.8 million, of which \$28.4 million was paid by the Community Preservation Fund, resulting in taxpayer supported debt service of approximately \$12.4 million. Governmental funds debt service expenditures including interest in 2019, excluding CPF, was 11.2% of operating expenditures.

The Town of Southampton's current outstanding bonded indebtedness was \$80.7 million at year-end, of which \$2.7 million was related to the Community Preservation Fund land purchases, \$9.7 million to the Coastal Erosion District Fund, \$26.1 million related to highway improvements, \$3.7 million for the Hampton Bays Water District and the remaining \$38.5 million related to various other improvements and equipment acquisitions.

Pursuant to New York State Local Finance Law §104, the Town's outstanding long-term debt must be no more than 7% of the five-year average full valuation of real property. This is also known as the "constitutional debt limit". At December 31, 2019, the Town had exhausted 1.88% of its limit.

The Town has accrued a \$337.1 million obligation for other post-employment benefits in accordance with GASB Pronouncements on the Town-wide financial statements. Note 12 to the financial statements shows the details of the Town's long-term liabilities in this area.

Union Contracts

The Town provides services through approximately 17 elected officials, 507 full-time employees including 45 board members and approximately 143 part-time employees. The Town also employs approximately 350 part-time seasonal employees. The Civil Service Employees Association represents approximately 313 employees under a contract which expires on December 31, 2021. The Police Benevolent Association represents approximately 80 employees under a contract which expires December 31, 2020. The Superior Officers Association represents approximately 20 employees under a contract which expires December 31, 2020. The Chief of Police is a non-union employee.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Town's elected officials considered many factors when setting the fiscal-year 2020 budget, tax rates and fees to be charged for the business-type activities. The 2020 Adopted Operating Budget was primarily structurally balanced and the only funds with appropriated fund balance were the General Fund (\$600,000), Police District Fund (\$250,000), Town Outside Village Fund (\$750,000), Highway Fund (\$175,000), Public Safety Communications Fund (\$150,000) and various Non-major Funds (\$274,860). In 2003, the Town Board mandated a 5% cap on any increases in the Town tax rate in any given year. Beginning in 2012, New York State mandated a 2% cap on any increases in the Town tax rate in any given year. The 2020 Operating Budget was projected to meet the 2% Tax Levy cap enacted by the New York State Governor.

Tax Collection

Property taxes for the Town, together with the County, fire districts and school district taxes are collected by the Town Tax Receiver on a single tax bill. The taxes become a lien on December 1, and are payable in two equal payments without penalty by January 10 and May 31, respectively. Penalties on unpaid taxes are 1% per month from the day such taxes are due and payable and 10% after May 31. The table on the following page shows information regarding property taxes for the previous five years.

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table 12:
Property Taxes, Five-Year Trend

As of May 31,	Total Tax Levy	To Town Supervisor	To County Treasurer	Uncollected Returned
2019	\$ 383,293,145	\$ 366,303,800	\$ 262,673	\$ 16,726,672
2018	365,663,704	351,045,897	564,875	14,052,932
2017	359,662,173	340,641,573	1,213,931	17,806,669
2016	350,518,343	332,138,791	-	18,379,552
2015	345,976,680	325,906,413	818,103	19,252,164

The Town Receiver distributes the collected money to the Town, fire districts and school districts prior to distributing the balance collected to the County. Uncollected amounts are not segregated by the Receiver and any deficiency in tax collection is the County's liability. The Town is thereby assured of full tax collection.

The Town has adopted a budget for the 2020 fiscal year, which takes into account inflation, prior period performance, and other economic factors. The 2020 budget includes a decrease in the tax rate by nearly 5.6%, due to the increase in the overall valuation of the tax base of the Town. The taxable value of all properties in the Town is \$73.4 billion in 2019, compared to \$67.0 billion in 2018.

Business-Type Activities

The Town has adopted the following budgets for the business-type activities based on prior year's performance and factors and circumstance known for the upcoming year:

- The 2020 adopted budget for the Beaches and Marina Fund projects revenue of \$2.6 million and an expense budget of \$2.8 million, calling for a use of net position of \$200,000. Revenue includes real property taxes of \$128,000 to help subsidize the cost of operations. The budget also includes expenditures for debt service principal and interest of \$698,509. Although the principal is not a fund level expense, this helps the Town predict cash flow for the year.
- The 2020 adopted budget for the Waste Management Fund anticipates similar performance as projected revenues are \$2.9 million and projected expenses are expected to be \$3.0 million. The deficiency will be funded by the use of net position of \$90,000. Similar to the Beaches and Marina Fund, the budget includes expenditures for debt service principal and interest of \$551,518.

FACTOR'S BEARING ON THE FUTURE OF THE TOWN

At the time these financial statements were prepared and audited, the Town was aware of the following existing circumstances that could affect its financial health in the future:

- The "Tax Levy Limitation Law" which was enacted on June 24, 2011, restricts the amount of property taxes that may be levied in a particular year. Although there are exceptions, exemptions, and overrides to the limitation, the Law has made budgetary decisions more difficult. Local governments may override the tax levy limit by first passing a local law that allows for the tax levy limit to be exceeded, which requires a 60% vote of the total voting power of the governing board. The Town has complied with this law and has not required an override vote.
- Residents of the Town approved the use of Community Preservation Fund proceeds for water quality improvement projects. The approval was pursuant to Chapter 551 of the New York State Laws of 2015, and amends Town Law section 64-e. The approval allows no more than 20% of the annual revenues generated from the transfer tax to be used for water quality improvement projects. The Town is required to list each projects costs and how the project would improve existing water quality.

**TOWN OF SOUTHAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

- In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. The extent of the impact of COVID-19 on the Town's operational and financial performance, and cash flow needs will depend on certain developments, including the duration and spread of the outbreak, impact on revenues, employees and vendors, all of which are uncertain and cannot be predicted as of the date of these financial statements.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Town Comptroller's Office
116 Hampton Road
Southampton, NY 11968
(631) 283-6000

FINANCIAL SECTION

TOWN OF SOUTHAMPTON
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Town of Southampton Housing Authority	Trustees of the Freeholders and Commonalty
ASSETS					
Cash and cash equivalents	\$ 35,046,683	\$ 2,149,745	\$ 37,196,428	\$ 178,605	\$ 1,144,171
Restricted cash	99,083,464	29,141	99,112,605	69,275	-
Accounts receivable	1,645,362	50,209	1,695,571	174,000	26,881
State and federal aid receivables	2,944,541	-	2,944,541	-	-
Due from governmental funds	-	512,438	-	-	-
Due from fiduciary funds	853,232	299	853,531	-	-
Due from other governments	8,745,495	-	8,745,495	176	5,450
Prepaid expenses	4,585,733	40,692	4,626,425	24,797	-
Tenant security deposits	-	-	-	14,939	-
Bond proceeds held by fiscal agent	-	-	-	114,839	-
Capital assets:					
Non-depreciable capital assets	950,072,964	13,329,090	963,402,054	1,292,059	-
Depreciable capital assets, net	200,506,685	11,851,882	212,358,567	2,341,543	-
Total assets	1,303,484,159	27,963,496	1,330,935,217	4,210,233	1,176,502
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge from refunding bonds	159,041	59,594	218,635	-	-
Pension related	14,647,787	215,146	14,862,933	-	-
LOSAP related	574,132	-	574,132	-	-
OPEB related	70,230,105	-	70,230,105	-	-
Total deferred outflows of resources	85,611,065	274,740	85,885,805	-	-
LIABILITIES					
Accounts payable	3,807,195	75,910	3,883,105	31,840	95,037
Accrued liabilities	574,948	-	574,948	22,985	-
Accrued interest payable	652,792	59,631	712,423	-	-
Due to proprietary funds	512,438	-	-	-	-
Due to fiduciary funds	2,503	39	2,542	-	-
Due to other governments	258,204	-	258,204	-	-
Unearned revenue	-	-	-	-	1,342
Noncurrent liabilities due within one year:					
General obligation bonds payable	13,943,840	1,060,078	15,003,918	88,030	-
Special assessment bonds with governmental commitment	72,484	-	72,484	-	-
Installment purchase debt payable	104,491	-	104,491	-	-
Note payable	-	-	-	150,000	-
Mortgage payable	-	-	-	335,000	-
Compensated absences	200,000	10,000	210,000	-	-
Judgments and claims payable	502,237	-	502,237	-	-
Retainages held	75,437	-	75,437	-	-
Estimated liability for landfill closure and post-closure care costs	192,291	-	192,291	-	-
Noncurrent liabilities due in more than one year:					
General obligation bonds payable, net	61,520,603	6,688,810	68,209,413	2,938,803	-
Special assessment bonds with governmental commitment	798,684	-	798,684	-	-
Installment purchase debt payable	1,513,357	-	1,513,357	-	-
Compensated absences	9,619,693	72,961	9,692,654	-	-
Retainages held	678,928	-	678,928	-	-
Judgments and claims payable	1,747,763	-	1,747,763	-	-
Net pension liability - proportionate share	13,420,269	203,465	13,623,734	-	-
Total pension liability - LOSAP	5,566,661	-	5,566,661	-	-
Total OPEB liability	337,144,409	-	337,144,409	-	-
Tenant security deposits	-	-	-	14,939	-
Estimated liability for landfill closure and post-closure care costs	3,639,160	-	3,639,160	-	-
Total liabilities	456,548,387	8,170,894	464,206,843	3,581,597	96,379
DEFERRED INFLOWS OF RESOURCES					
Property taxes received in advance	14,707,725	156,796	14,864,521	-	-
Pension related	5,007,319	68,556	5,075,875	-	-
LOSAP related	877,462	-	877,462	-	-
Total deferred inflows of resources	20,592,506	225,352	20,817,858	-	-
NET POSITION					
Net investment in capital assets	1,072,785,231	17,491,678	1,090,276,909	676,044	-
Restricted:					
Debt service	4,373,441	29,141	4,402,582	-	-
Tax stabilization	4,466,877	-	4,466,877	-	-
Capital projects	18,157,083	-	18,157,083	69,275	-
Community preservation operations	67,786,234	-	67,786,234	-	-
Community and park improvements	2,306,970	-	2,306,970	-	-
HUD grants	171,059	-	171,059	-	-
Unrestricted	(258,092,564)	2,321,171	(255,771,393)	(116,683)	1,080,123
Total net position	\$ 911,954,331	\$ 19,841,990	\$ 931,796,321	\$ 628,636	\$ 1,080,123

The accompanying notes to financial statements are an integral part of this statement.

TOWN OF SOUTHAMPTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Revenues				Net Revenues (Expenses) and Changes in Net Position				
	Expenses	Charges for Services, Fees, Fines and Forfeitures	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Town of Southampton Housing Authority	Trustees of the Freeholders and Commonalty
Functions and programs:									
Primary Government -									
Governmental activities:									
General governmental support	\$ 30,307,541	\$ 1,064,212	\$ 43,383,538	\$ -	\$ 14,140,209	\$ -	\$ 14,140,209		
Public safety	54,633,234	2,152,637	3,412,130	-	(49,068,467)	-	(49,068,467)		
Health	3,339,280	-	-	-	(3,339,280)	-	(3,339,280)		
Transportation	11,372,242	1,259,421	464,475	1,248,628	(8,399,718)	-	(8,399,718)		
Economic assistance and opportunity	6,218,747	-	1,511,702	-	(4,707,045)	-	(4,707,045)		
Culture and recreation	6,291,551	19,000	686,931	294,266	(5,291,354)	-	(5,291,354)		
Home and community services	16,974,727	7,190,394	3,536,256	408,707	(5,839,370)	-	(5,839,370)		
Interest on debt	2,169,437	-	-	-	(2,169,437)	-	(2,169,437)		
Total governmental activities	131,306,759	11,685,664	52,995,032	1,951,601	(64,674,462)	-	(64,674,462)		
Business-type activities:									
Beaches and marinas	2,179,018	2,233,004	44,676	-	-	98,662	98,662		
Waste management	2,598,622	2,263,873	-	-	-	(334,749)	(334,749)		
Golf course	101,077	193,272	-	-	-	92,195	92,195		
Total business-type activities	4,878,717	4,690,149	44,676	-	-	(143,892)	(143,892)		
Total primary government	\$ 136,185,476	\$ 16,375,813	\$ 53,039,708	\$ 1,951,601	(64,674,462)	(143,892)	(64,818,354)		
Component Units -									
Town of Southampton									
Housing Authority:									
Economic assistance and opportunity	\$ 817,464	\$ 205,617	\$ 1,078,946	\$ -				\$ 467,099	
Interest on debt	126,901	-	-	-				(126,901)	
Total housing authority	\$ 944,365	\$ 205,617	\$ 1,078,946	\$ -				340,198	
Trustees of the Freeholders and Commonalty:									
Home and community	\$ 702,431	\$ 659,891	\$ 37,481	\$ -					\$ (5,059)
General revenues:									
Real property taxes					76,352,093	510,713	76,862,806	-	-
Other real property tax items					702,499	-	702,499	-	-
Non-property tax items					1,866,166	-	1,866,166	-	-
Interest earnings					4,226,810	31,624	4,258,434	63	14,153
State aid - unrestricted					7,866,061	-	7,866,061	-	-
Sale of property and compensation for loss					336,038	-	336,038	-	-
Total general revenues					91,349,667	542,337	91,892,004	63	14,153
Excess of revenues over expenses before transfers					26,675,205	398,445	27,073,650	340,261	9,094
Interfund transfers					300,000	(300,000)	-	-	-
Change in net position					26,975,205	98,445	27,073,650	340,261	9,094
Total net position, beginning of year					884,979,126	19,743,545	904,722,671	288,375	1,071,029
Total net position, end of year					\$ 911,954,331	\$ 19,841,990	\$ 931,796,321	\$ 628,636	\$ 1,080,123

The accompanying notes to financial statements are an
integral part of this statement.

TOWN OF SOUTHAMPTON
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	MAJOR FUNDS						MAJOR FUNDS			
	General Fund	Police District Fund	Town Outside Village Fund	Highway Fund	Public Safety Communications Fund	Non-Major Governmental Funds	Total Operating Funds	Capital Projects Fund	Community Preservation Fund	Total Governmental Funds
ASSETS										
Cash and cash equivalents	\$ 13,705,895	\$ 5,721,474	\$ 2,139,756	\$ 5,535,509	\$ 1,201,265	\$ 6,742,784	\$ 35,046,683	\$ -	\$ -	\$ 35,046,683
Restricted cash	4,821,048	17,382	31,899	447,793	1,205	5,225,794	10,545,121	26,228,987	62,309,356	99,083,464
Accounts receivable	865,590	271,841	200	650	9,580	497,501	1,645,362	-	-	1,645,362
State and federal aid receivables	481,512	26,123	-	157,954	158,698	-	824,287	-	-	824,287
Due from other funds	7,127,668	-	-	-	-	-	7,127,668	-	-	7,127,668
Due from fiduciary funds	271,397	25,443	4,002	549,509	-	2,881	853,232	-	-	853,232
Due from other governments	349	-	-	3,764	-	-	4,113	-	8,741,382	8,745,495
Prepaid items	2,345,959	1,417,558	245,417	346,398	127,502	77,569	4,560,403	-	25,330	4,585,733
Total assets	<u>\$ 29,619,418</u>	<u>\$ 7,479,821</u>	<u>\$ 2,421,274</u>	<u>\$ 7,041,577</u>	<u>\$ 1,498,250</u>	<u>\$ 12,546,529</u>	<u>\$ 60,606,869</u>	<u>\$ 26,228,987</u>	<u>\$ 71,076,068</u>	<u>\$ 157,911,924</u>
LIABILITIES										
Accounts payable	\$ 449,809	\$ 161,442	\$ 15,973	\$ 268,113	\$ 3,530	\$ 437,685	\$ 1,336,552	\$ 2,086,798	\$ 383,845	\$ 3,807,195
Accrued liabilities	189,953	84,665	8,853	6,981	23,368	260,060	573,880	-	1,068	574,948
Due to other funds	-	-	-	-	-	1,655,000	1,655,000	5,472,668	-	7,127,668
Due to proprietary funds	-	-	-	-	-	-	-	512,438	-	512,438
Due to fiduciary funds	-	-	-	-	711	-	711	-	1,792	2,503
Due to other governments	258,204	-	-	-	-	-	258,204	-	-	258,204
Total liabilities	<u>897,966</u>	<u>246,107</u>	<u>24,826</u>	<u>275,094</u>	<u>27,609</u>	<u>2,352,745</u>	<u>3,824,347</u>	<u>8,071,904</u>	<u>386,705</u>	<u>12,282,956</u>
DEFERRED INFLOWS OF RESOURCES										
Property taxes received in advance	5,011,453	4,484,254	185,511	2,591,991	493,726	1,825,790	14,592,725	-	115,000	14,707,725
Total deferred inflows of resources	<u>5,011,453</u>	<u>4,484,254</u>	<u>185,511</u>	<u>2,591,991</u>	<u>493,726</u>	<u>1,825,790</u>	<u>14,592,725</u>	<u>-</u>	<u>115,000</u>	<u>14,707,725</u>
FUND BALANCE										
Fund balance:										
Nonspendable	2,345,959	1,417,558	245,417	346,398	127,502	77,569	4,560,403	-	25,330	4,585,733
Restricted	4,821,048	17,382	31,899	447,793	1,205	3,236,221	8,555,548	18,157,083	70,549,033	97,261,664
Committed	-	-	-	-	-	55,000	55,000	-	-	55,000
Assigned	681,217	1,314,520	1,933,621	3,380,301	848,208	4,999,204	13,157,071	-	-	13,157,071
Unassigned	15,861,775	-	-	-	-	-	15,861,775	-	-	15,861,775
Total fund balance	<u>23,709,999</u>	<u>2,749,460</u>	<u>2,210,937</u>	<u>4,174,492</u>	<u>976,915</u>	<u>8,367,994</u>	<u>42,189,797</u>	<u>18,157,083</u>	<u>70,574,363</u>	<u>130,921,243</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 29,619,418</u>	<u>\$ 7,479,821</u>	<u>\$ 2,421,274</u>	<u>\$ 7,041,577</u>	<u>\$ 1,498,250</u>	<u>\$ 12,546,529</u>	<u>\$ 60,606,869</u>	<u>\$ 26,228,987</u>	<u>\$ 71,076,068</u>	<u>\$ 157,911,924</u>

The accompanying notes to financial statements are an integral part of this statement.

TOWN OF SOUTHAMPTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019

Total Fund Balance - Governmental Funds	\$	130,921,243
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Amounts reported for governmental activities in the Statement of Net Position are different due to the following:

Capital assets less accumulated depreciation are included in the Statement of Net Position:

Capital assets:

Non-depreciable	\$ 950,072,964	
Depreciable	577,606,402	
Accumulated depreciation	<u>(377,099,717)</u>	1,150,579,649

Deferred charge on refunding bonds.		159,041
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Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the governmental fund financial statements. However, these liabilities are included in the Statement of Net Position:

General obligation bonds payable, net	(75,464,443)	
Special assessment bonds with governmental commitment	(871,168)	
Installment purchase debt payable	(1,617,848)	
Compensated absences	(9,819,693)	
Judgments and claims payable	(2,250,000)	
Retainages held	(754,365)	
Total OPEB liability	(337,144,409)	
Estimated liability for landfill closure and post-closure care costs	<u>(3,831,451)</u>	(431,753,377)

Pension related items are not reported in the governmental fund financial statements since they are not related to current financial resources. The pension related items included in governmental activities consist of the following:

Net pension liability - proportionate share	(13,420,269)	
Deferred outflow of resources - pension related	14,647,787	
Deferred inflow of resources - pension related	(5,007,319)	
Total pension liability - LOSAP	(5,566,661)	
Deferred outflow of resources - LOSAP	574,132	
Deferred inflow of resources - LOSAP	(877,462)	
Deferred inflow of resources - OPEB	<u>70,230,105</u>	60,580,313

Revenue that was not accrued on the governmental fund financial statements because it does not meet the availability criteria under the modified accrual basis of accounting is included in the Statement of Net Position.

2,120,254

Interest payable applicable to the Town's governmental activities is not due and payable in the current period and accordingly, is not reported in the governmental fund financial statements. However, this liability is included in the Statement of Net Position.

(652,792)

Net Position - Governmental Activities	\$	<u><u>911,954,331</u></u>
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TOWN OF SOUTHAMPTON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	MAJOR FUNDS							MAJOR FUNDS		
	General Fund	Police District Fund	Town Outside Village Fund	Highway Fund	Public Safety Communications Fund	Non-Major Governmental Funds	Total Operating Funds	Capital Projects Fund	Community Preservation Fund	Total Governmental Funds
REVENUES										
Real property taxes	\$ 25,745,385	\$ 23,986,927	\$ 1,343,247	\$ 13,017,085	\$ 2,660,912	\$ 9,598,537	\$ 76,352,093	\$ -	\$ -	\$ 76,352,093
Other real property tax items	301,759	164,556	11,828	92,363	15,414	116,579	702,499	-	-	702,499
Non-property tax items	1,866,166	-	-	-	-	-	1,866,166	-	43,247,803	45,113,969
Special assessments	88,194	-	-	-	-	-	88,194	-	-	88,194
Departmental income	1,006,462	434,057	1,745,297	33,600	155,587	2,363,569	5,738,572	-	-	5,738,572
Intergovernmental charges	403,024	-	-	734,603	-	-	1,137,627	-	-	1,137,627
Use of money and property	580,538	288,651	64,329	185,033	46,632	628,449	1,793,632	422,026	2,011,152	4,226,810
Licenses and permits	321,765	144,054	3,081,528	-	-	-	3,547,347	-	-	3,547,347
Fines and forfeitures	1,154,924	-	-	-	-	19,000	1,173,924	-	-	1,173,924
Sale of property and compensation for loss	-	-	-	-	-	336,038	336,038	-	-	336,038
Miscellaneous local sources	680,432	201,151	3,364	87,074	854	382,598	1,355,473	169,266	6,385	1,531,124
State aid	8,971,756	2,833,061	-	1,248,628	158,698	88,528	13,300,671	125,000	23,850	13,449,521
Federal aid	423,604	218,366	160	-	-	3,467,780	4,109,910	408,707	-	4,518,617
Total revenues	41,544,009	28,270,823	6,249,753	15,398,386	3,038,097	17,001,078	111,502,146	1,124,999	45,289,190	157,916,335
EXPENDITURES										
Current -										
General governmental support	15,055,689	-	-	-	-	1,341,169	16,396,858	-	35,865,817	52,262,675
Public safety	3,391,231	16,997,005	663,524	-	1,978,359	1,143,595	24,173,714	-	-	24,173,714
Health	-	-	-	-	-	3,339,280	3,339,280	-	-	3,339,280
Transportation	1,013,357	-	-	7,277,556	-	334,000	8,624,913	-	-	8,624,913
Economic assistance and opportunity	3,189,365	-	-	-	-	394,292	3,583,657	-	-	3,583,657
Culture and recreation	2,774,023	-	-	-	-	617,754	3,391,777	-	-	3,391,777
Home and community services	730,044	-	4,257,435	-	-	6,099,420	11,086,899	-	-	11,086,899
Employee benefits	10,269,577	10,447,126	2,138,301	2,970,002	981,544	866,643	27,673,193	-	173,220	27,846,413
Capital outlay	-	-	-	-	-	-	-	25,241,495	-	25,241,495
Debt service -										
Principal	3,570,133	283,940	39,118	3,666,986	6,000	2,884,565	10,450,742	-	27,506,456	37,957,198
Interest	677,093	34,163	3,363	662,632	414	547,467	1,925,132	-	913,757	2,838,889
Total expenditures	40,670,512	27,762,234	7,101,741	14,577,176	2,966,317	17,568,185	110,646,165	25,241,495	64,459,250	200,346,910
Excess (deficiency) of revenues over (under) expenditures	873,497	508,589	(851,988)	821,210	71,780	(567,107)	855,981	(24,116,496)	(19,170,060)	(42,430,575)
OTHER FINANCING SOURCES (USES)										
Payment to refunded bond escrow agent	(12,109,000)	-	-	-	-	-	(12,109,000)	-	-	(12,109,000)
Refunding bond issuance	11,186,320	-	-	-	-	-	11,186,320	-	-	11,186,320
Serial bond issuance	-	-	-	-	-	-	-	13,432,000	-	13,432,000
Premium on obligations	1,039,184	1,079	330	7,874	-	749	1,049,216	-	-	1,049,216
Proceeds of installment purchase debt	-	-	-	-	-	-	-	1,617,848	-	1,617,848
Transfers in	676,888	98,000	25,000	13,507	-	6,363	819,758	11,205,718	125,000	12,150,476
Transfers out	(1,121,210)	(60,000)	(50,000)	(274,000)	-	(2,438,165)	(3,943,375)	(1,422,904)	(6,484,197)	(11,850,476)
Total other financing sources (uses)	(327,818)	39,079	(24,670)	(252,619)	-	(2,431,053)	(2,997,081)	24,832,662	(6,359,197)	15,476,384
Change in fund balance	545,679	547,668	(876,658)	568,591	71,780	(2,998,160)	(2,141,100)	716,166	(25,529,257)	(26,954,191)
Fund balance, beginning of year	23,164,320	2,201,792	3,087,595	3,605,901	905,135	11,366,154	44,330,897	17,440,917	96,103,620	157,875,434
Fund balance, end of year	\$ 23,709,999	\$ 2,749,460	\$ 2,210,937	\$ 4,174,492	\$ 976,915	\$ 8,367,994	\$ 42,189,797	\$ 18,157,083	\$ 70,574,363	\$ 130,921,243

The accompanying notes to financial statements are an integral part of this statement.

TOWN OF SOUTHAMPTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net Change in Fund Balance - Governmental Funds	\$ (26,954,191)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlay exceeds depreciation in the current period is:

Capital outlay, net of reclassifications and retirements	\$ 57,961,902	
Depreciation expense	<u>(18,128,967)</u>	39,832,935

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	65,629
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

Proceeds from issuance of refunding bond	(11,186,320)	
Premiums on obligations	(1,049,216)	
Payment to refunded bond escrow agent	12,109,000	
Proceeds from issuance of installment purchase debt	(1,617,848)	
Serial bond issuance	(13,432,000)	
Repayment of bond principal	37,944,078	
Repayment of special assessment bonds	<u>13,120</u>	22,780,814

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences	(243,630)	
Judgments and claims payable	585,787	
Estimated liability for landfill closure and post-closure care costs	(35,519)	
Retainages held	(268,179)	
Pension related	(1,345,713)	
LOSAP related	(263,971)	
OPEB related	(7,848,209)	
Amortization of deferred charges from bond refunding	(99,304)	
Amortization of bond premiums and discounts	575,298	
Accrued interest costs	<u>193,458</u>	<u>(8,749,982)</u>

Net Change in Net Position - Governmental Activities	<u>\$ 26,975,205</u>
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**TOWN OF SOUTHAMPTON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019**

	MAJOR BUSINESS-TYPE ACTIVITIES		NON-MAJOR BUSINESS-TYPE ACTIVITIES	
	Beaches and Marinas	Waste Management	Golf Course	Total Proprietary Funds
ASSETS				
Current assets:				
Cash and cash equivalents:				
Unrestricted cash	\$ 353,165	\$ 1,363,017	\$ 433,563	\$ 2,149,745
Restricted cash	10,150	18,991	-	29,141
Accounts receivable, net	-	41,774	8,435	50,209
Due from governmental funds	74,125	438,313	-	512,438
Due from fiduciary funds	65	234	-	299
Prepaid expenses	10,537	30,155	-	40,692
Total current assets	448,042	1,892,484	441,998	2,782,524
Noncurrent assets:				
Non-depreciable capital assets	8,024,789	169,100	5,135,201	13,329,090
Depreciable capital assets, net of depreciation	7,023,960	4,244,828	583,094	11,851,882
Total noncurrent assets	15,048,749	4,413,928	5,718,295	25,180,972
Total assets	15,496,791	6,306,412	6,160,293	27,963,496
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge from refunding bonds	23,768	35,826	-	59,594
Pension related	-	215,146	-	215,146
Total deferred outflows of resources	23,768	250,972	-	274,740
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	10,774	63,033	2,103	75,910
Accrued interest payable	30,301	29,330	-	59,631
Due to fiduciary funds	39	-	-	39
Noncurrent liabilities due within one year:				
General obligation bonds payable	592,368	467,710	-	1,060,078
Compensated absences	2,000	8,000	-	10,000
Total current liabilities	635,482	568,073	2,103	1,205,658
Noncurrent liabilities:				
General obligation bonds payable, net of current maturities and unamortized premiums	3,594,492	3,094,318	-	6,688,810
Compensated absences	2,788	70,173	-	72,961
Net pension liability - proportionate share	-	203,465	-	203,465
Total noncurrent liabilities	3,597,280	3,367,956	-	6,965,236
Total liabilities	4,232,762	3,936,029	2,103	8,170,894
DEFERRED INFLOWS OF RESOURCES				
Property taxes received in advance	22,274	134,522	-	156,796
Pension related	-	68,556	-	68,556
Total deferred inflows of resources	22,274	203,078	-	225,352
NET POSITION				
Net investment in capital assets	10,885,657	887,726	5,718,295	17,491,678
Restricted for debt service	10,150	18,991	-	29,141
Unrestricted	369,716	1,511,560	439,895	2,321,171
Total net position	\$ 11,265,523	\$ 2,418,277	\$ 6,158,190	\$ 19,841,990

The accompanying notes to financial statements are an
integral part of this statement.

TOWN OF SOUTHAMPTON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	MAJOR BUSINESS-TYPE ACTIVITIES		NON-MAJOR BUSINESS-TYPE ACTIVITIES	
	Beaches and Marinas	Waste Management	Golf Course	Total Proprietary Funds
OPERATING REVENUES:				
Charges for services	\$ 2,229,889	\$ 2,263,011	\$ 189,420	\$ 4,682,320
Other	3,115	862	3,852	7,829
Total operating revenues	2,233,004	2,263,873	193,272	4,690,149
OPERATING EXPENSES:				
Beaches and marinas	1,495,561	-	-	1,495,561
Waste management	-	1,650,816	-	1,650,816
Golf course	-	-	23,720	23,720
Depreciation	443,841	389,850	77,357	911,048
Employee benefits	145,691	489,854	-	635,545
Total operating expenses	2,085,093	2,530,520	101,077	4,716,690
Operating income (loss)	147,911	(266,647)	92,195	(26,541)
NON-OPERATING REVENUES (EXPENSES):				
Real property taxes	128,015	382,698	-	510,713
Grants	44,676	-	-	44,676
Interest income	4,428	18,578	8,618	31,624
Interest on debt	(93,925)	(68,102)	-	(162,027)
Total non-operating revenues (expenses)	83,194	333,174	8,618	424,986
Transfers out	(175,000)	-	(125,000)	(300,000)
Change in net position	56,105	66,527	(24,187)	98,445
Total net position, beginning of year	11,209,418	2,351,750	6,182,377	19,743,545
Total net position, end of year	\$ 11,265,523	\$ 2,418,277	\$ 6,158,190	\$ 19,841,990

The accompanying notes to financial statements are an
integral part of this statement.

**TOWN OF SOUTHAMPTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	MAJOR BUSINESS-TYPE ACTIVITIES		NON-MAJOR BUSINESS-TYPE ACTIVITIES	
	Beaches and Marinas	Waste Management	Golf Course	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Revenues collected:				
Cash receipts from customers	\$ 2,229,889	\$ 2,283,880	\$ 190,063	\$ 4,703,832
Other operating cash receipts	3,115	862	3,852	7,829
Payments for expenses:				
Cash payments to other suppliers of goods or services	(1,503,886)	(1,648,765)	(24,481)	(3,177,132)
Cash payments to employees for services and related expenses	(158,823)	(458,141)	-	(616,964)
Other operating cash payments	1,673,607	(124,030)	-	1,549,577
Net cash provided by operating activities	2,243,902	53,806	169,434	2,467,142
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:				
Purchase of capital assets	(2,966,842)	(376,552)	(49,689)	(3,393,083)
Principal paid on capital debt	(472,938)	(419,864)	-	(892,802)
Payments made to refunded bond escrow agent	-	(1,521,000)	-	(1,521,000)
Refunding bond proceeds	-	1,403,680	-	1,403,680
Serial bond proceeds	1,285,000	500,000	-	1,785,000
Premium on bonds payable	2,830	129,047	-	131,877
Interest paid on debt	(114,639)	(93,612)	-	(208,251)
Net cash used by capital financing activities	(2,266,589)	(378,301)	(49,689)	(2,694,579)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Real property taxes	118,607	422,506	-	541,113
Interfund transfer	(175,000)	-	(125,000)	(300,000)
Grants	44,676	-	-	44,676
Net cash provided (used) by non-capital financing activities	(11,717)	422,506	(125,000)	285,789
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and earnings received	4,428	18,578	8,618	31,624
Net cash provided by investing activities	4,428	18,578	8,618	31,624
Net increase (decrease) in cash and cash equivalents	(29,976)	116,589	3,363	89,976
Cash and cash equivalents, beginning of year	393,291	1,265,419	430,200	2,088,910
Cash and cash equivalents, end of year	\$ 363,315	\$ 1,382,008	\$ 433,563	\$ 2,178,886
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$ 147,911	\$ (266,647)	\$ 92,195	\$ (26,541)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	443,841	389,850	77,357	911,048
Decrease in accounts receivable	-	20,869	643	21,512
Increase in due from fiduciary funds	(65)	(234)	-	(299)
(Increase) decrease in due from governmental funds	1,673,888	(123,448)	-	1,550,440
Increase in prepaid expenses	(8,355)	(11,869)	-	(20,224)
Decrease in pension related deferred outflows	114,749	129,102	-	243,851
Increase (decrease) in accounts payable and accrued liabilities	30	13,920	(761)	13,189
Decrease in due to fiduciary funds	(216)	(348)	-	(564)
Increase (decrease) in compensated absences	(4)	14,220	-	14,216
Decrease in pension related deferred inflows	(97,502)	(223,949)	-	(321,451)
Increase (decrease) in net pension liability	(30,375)	112,340	-	81,965
Net cash provided by operating activities	\$ 2,243,902	\$ 53,806	\$ 169,434	\$ 2,467,142
NONCASH CAPITAL FINANCING ACTIVITIES:				
Amortization of bond premium and deferred charges	\$ 21,720	\$ 17,944	\$ -	\$ 39,664

The accompanying notes to financial statements are an
integral part of this statement.

**TOWN OF SOUTHAMPTON
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2019**

	Agency Funds
	<hr/>
ASSETS	
Cash	\$ 60,940,575
Due from proprietary funds	39
Due from governmental funds	2,503
Service award program assets	<hr/> 3,735,052
Total assets	<hr/> <hr/> \$ 64,678,169
LIABILITIES	
Due to proprietary funds	\$ 299
Due to governmental funds	853,232
Due to school districts	22,831,027
Service award program liabilities	3,735,052
Other agency liabilities	<hr/> 37,258,559
Total liabilities	<hr/> <hr/> \$ 64,678,169

The accompanying notes to financial statements are an
integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

1. BACKGROUND

The Town of Southampton (the "Town"), was established in 1801 and is governed by Town Law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations. The Town Board consists of the Supervisor who is elected for a term of two years and four council members who are elected for terms of four years. The Town Board appoints the Town Attorney, Comptroller, and the Assessor, whose terms are fixed by Town Law. The Town Clerk, the Superintendent of Highways and Receiver of Taxes are elected and serve for four years. The Town Board appoints various department heads.

The Town provides a full range of municipal services, including police and justice court, home and community services, public works and road maintenance, recreation and parks, and general and administrative services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Southampton have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The most significant of the Town accounting policies are described below.

A. Reporting entity

The financial reporting entity consists of: (a) the primary government, which is the Town of Southampton; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

The decision to include a potential component unit in the Town of Southampton's financial reporting entity is based on several criteria set forth by GASB which includes legal standing, dependency and financial accountability. Based on the application of these criteria, a summary of certain entities considered in determining the Town of Southampton's reporting entity is discussed below.

The Trustees of the Freeholders and Commonalty of the Town of Southampton (the "Trustees") are independently elected and are responsible for the receipt, maintenance and safety of legally specified property. Operations are supported by user fee revenues established by the Trustees and derived from the issuance of building, mooring and boat ramp permits, as well as budgeted appropriations from the Town. The Town approves the hiring of employees and records the compensation of employees, as well as all of the capital projects of the Trustees on the books of the Town. As a result of the Town providing financial support for the Trustees' employees and capital additions, it is determined that they are fiscally dependent on the Town. The Trustees also do not provide services exclusively to the Town itself but also to the residents of the Town of Southampton and therefore, are presented discretely in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. Complete financial statements of the Trustees can be obtained from their administrative office: The Trustees of the Freeholders and Commonalty of the Town of Southampton, 116 Hampton Road, Southampton, NY 11968.

The Town of Southampton Housing Authority (the "Authority") provides housing for low income residents of the Town of Southampton. The Authority is governed by its Board of Directors, which is comprised of five members appointed by the Town of Southampton. Long-term debt and other fiscal matters, which result in a fiscal interdependency, are backed by the full faith and credit of the Town. Accordingly, the Authority has been determined to be a component unit of the Town and is presented discretely in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. Complete financial statements of the Authority can be obtained from their administrative offices: Town of Southampton Housing Authority, 57 Springville Road, Hampton Bays, NY 11946.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

B. Excluded from the reporting entity

Within the geographic boundaries of the Town are 7 incorporated villages, 13 school districts and 9 fire districts. These entities are excluded from the Town's financial statements because their operations are controlled by officials elected by their respective constituencies and the Town has no fiscal oversight over them and cannot influence their operations.

C. Basis of presentation

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

1. Government-wide financial statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) display information about the primary government and its component units. These financial statements include the financial activities of the overall government except for fiduciary activities. Eliminations of internal activity have been made in these financial statements. The primary government is reported separately from the legally separate discretely presented component units for which the primary government is financially accountable. All of the activities of the Town as primary government are governmental activities.

In the government-wide Statement of Net Position, the Town's governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - net investment in capital assets, restricted and unrestricted.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functional categories (public safety, transportation, home and community services, etc.), which are otherwise supported by general government revenues (property taxes, certain intergovernmental revenues, interest earnings, etc.). The Statement of Activities reduces gross expenses (including allocated depreciation) by related program revenues to produce the net cost of each program. Program revenues include (a) charges for services (including fees, fines and forfeitures) and (b) operating and capital grants and contributions that are directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function) are normally covered by general revenues (property taxes, intergovernmental revenues, interest earnings, etc.).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Eliminations have been made to prevent distortion of the direct costs and program revenues reported. The effect of interfund services provided and used between functions have not been eliminated in the Statement of Activities.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

2. Governmental fund financial statements

The governmental fund financial statements are similar to the financial statements presented in the previous model. The emphasis is on the major funds in the fund financial statements. Non-major funds are summarized into a single column.

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are presented by type in the fund financial statements. Accordingly, the Town maintains the following fund types:

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Governmental Funds - Governmental funds are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. Governmental funds are further classified as major or non-major funds.

The Town reports the following major governmental funds:

General Fund: is the principal operating fund of the Town. This fund is used to account for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds: are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted, committed or assigned to expenditures for specified purposes. Special Revenue Funds include the following:

Police District Fund: is used to account for financial resources for police purposes. Primary revenue sources are from real property taxes and State aid.

Town Outside Village Fund: is used for revenues and expenditures for certain services provided to the area of the Town located outside of the Incorporated Villages. Primary revenue sources are from real property taxes and departmental income.

Highway Fund: is used to account for revenues and expenditures for highway purposes. Primary revenue sources are from real property taxes and State aid.

Public Safety Communications Fund: is used to account for financial resources for the operation of the E-911 communication facility. Primary revenue sources are from real property taxes.

Capital Projects Fund: is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Primary sources of funds are from debt issuances and transfers from the General Fund.

Community Preservation Fund: is used to account for financial resources for land acquisition and preservation purposes (current legislation provides for this fund through the 2050 fiscal year). Primary revenue sources are from non-property tax items.

Additionally, the Town reports the following non-major funds:

Special Revenue Funds:

Special Grant Fund: is used to account for the revenues and expenditures related to federal aid for the Community Development Block Grant Program and the Section 8 Housing Choice Vouchers Program.

Special Fund: is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Special District Funds: are used to account for taxes or other revenues, which are raised or received to provide special services to areas that encompass less than the whole Town. The Special District Funds consist of a number of separate districts, which are administered by the Town Board as follows:

**TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Fire Protection Districts:	
North End Quogue	Noyac
Baypoint	
Lighting Districts:	
Eastport	Flanders
Westhampton	Quogue
East Quogue	Hampton Bays
Riverside	Bridgehampton
Water Mill	
Public Parking Districts:	
Hampton Bays	Bridgehampton
Water Districts:	
Flanders	Hampton Bays
Riverside	
Ambulance Districts:	
Westhampton	Northampton
Hampton Bays	Southampton
Coastal Erosion Districts:	
Bridgehampton	Tiana
Sagaponack	
Parks Districts:	
Bridgehampton	Hampton Bays
Water Mill	

3. Proprietary Fund financial statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows for each major proprietary fund and the non-major proprietary fund.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position.

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Beaches and Marinas, Waste Management and Golf Course are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

The Town reports the following major proprietary funds:

Enterprise Funds: used to account for the following operations:

Beaches and Marinas: used to account for operations related to the Town’s beaches and marinas. Revenue is mainly derived from charges for services which include licenses, permits, dock fees and other recreation related items.

Waste Management: used to account for operations related to the Town’s refuse. Revenue is mainly derived from items disposed by the Town’s residents which are not part of the regular sanitation pickup.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Additionally, the Town reports the following non-major proprietary fund:

Golf Course: used to account for operations related to Poxabogue Golf Course. Revenue is derived from charges for services related to greens fees, driving range fees and other related items.

4. Fiduciary Funds:

The fiduciary funds are used to account for the assets held by the Town in a trustee capacity or as agency for individuals, private organizations and their governments. These activities are not included in the government-wide financial statements, because their resources do not belong to the Town, and are not available to be used.

The Town reports the following fiduciary funds:

Agency Fund: is for money (and/or property) received and held in the capacity of trustee, custodian or agent. The Town's fiduciary funds include agency funds as follows:

Town Agency Fund: accounts for consolidated payroll, amounts due to/from other governments, service award programs and other agency liabilities.

Town Clerk Agency Fund: accounts for amounts collected on behalf of other governments for licenses and permit fees.

Town Receiver of Taxes Agency Fund: accounts for amounts due to other governments for general and school taxes collected.

D. Measurement focus and basis of accounting

Measurement focus refers to what is being measured whereas the basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

In the government-wide financial statements, governmental activities are presented using the economic resources measurement focus and are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (measurable and available to finance current operations). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers all revenues available if they are collected within 90 days after the year end. Application of "susceptible to accrual" criterion requires judgment, consideration of the materiality of the item in question, and due regard for the practicality of accrual, as well as consistency in application.

Revenues susceptible to accrual include Suffolk County local assistance at year-end on behalf of the Town, franchise fees, charges for services, intergovernmental revenues and operating transfers. Permits, fees, and other similar revenues are not susceptible to accrual because generally they are not measurable until they are received in cash. In those instances where expenditures are the prime factor in determining eligibility for State and federal grants, revenues are recognized when the expenditure is incurred. In the Capital Projects Fund, long-term debt is recognized as revenue upon receipt of the proceeds. Expenditures are recorded on the accrual basis except that (a) expenditures for prepaid items are recognized when incurred, (b) principal and interest on indebtedness are recognized as expenditures when due and (c) compensated absences, such as vacation and sick leave, which vest or accumulate, are charged as expenditures when paid.

**TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded for budgetary control purposes in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Appropriations for all governmental funds except the Capital Projects Fund lapse at year-end. However, encumbrances reserved against fund balances are re-appropriated in the ensuing year. Encumbrances are generally reported as assigned fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

E. Property taxes

In Suffolk County ("County"), the assessment and lien of real property for taxation is done by the County Department of Assessment. The Town assessment rolls are used for the levy of real property taxes by the Town and the school districts, as well as by the County and by special districts of the County and the Town.

The Town of Southampton Receiver of Taxes ("Receiver") collects all real property taxes for the Town, Suffolk County, Town special districts and school districts located within the Town of Southampton as a single bill. Town and County taxes are levied on December 1st, and are due in two equal installments, payable without penalty on January 10th and May 31st respectively; after which taxes are payable to the County Treasurer. Penalties are imposed thereafter at the rate of 1% per month from January 10th until May 31st. The Receiver collects all taxes based on this single bill and distributes the proceeds to the Town Supervisor prior to distributing the remaining taxes collected to the County. Responsibility for the collection of unpaid taxes rests with the County and, accordingly, the Town is assured 100% collection of real property taxes.

F. Interfund transactions

Interfund transactions have been eliminated from the government-wide financial statements. In the fund financial statements, interfund transactions are defined as the flow of assets such as cash or goods and services, without the equivalent flow of assets in return.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities (deferred inflows/outflows of resources) and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

H. Cash and cash equivalents

Cash consists of funds deposited in demand accounts, time deposit accounts and certificates of deposit with maturities of less than three months from the date acquired by the Town.

For purposes of the Statement of Cash Flows, the Town considers all highly liquid investments with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

I. Receivables

Receivables include amounts due from federal, State and other governments or entities for services provided by the Town. Receivables are recorded and revenues are recognized as earned or as specific program expenditures are incurred.

J. Inventory

Inventory of supplies is valued at cost, whereas inventories held for resale are reported at the lower of cost or market using the first-in, first-out method.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

K. Prepaid expenses/expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid items consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

L. Restricted assets

Certain assets are classified as restricted assets because their use is restricted by contractual agreements and regulations.

M. Capital assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a concession arrangement are reported at acquisition value rather than fair value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	10-50 years
Improvements other than buildings	20 years
Machinery and equipment	5-30 years
Infrastructure -	
Bridges	20-50 years
Landfill	30 years
Roads, curbs and sidewalks	20-30 years
Lighting system	15 years
Bulkheads, piers and boardwalks	10-30 years
Water and sewer mains	10-65 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

N. Deferred outflows of resources

In addition to assets, the Balance Sheet or Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until that time.

O. Deferred inflows of resources/unearned revenues

In addition to liabilities, the Balance Sheet or Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources are defined as an acquisition of net position by the government that is applicable to future periods. Deferred inflows are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when the Town receives resources before it has legal claim to them, as when charges for services are received prior to performing or satisfying the service. In subsequent periods, when both recognition criteria are met, or when the Town has legal claim to the resources, the deferred inflow is removed and revenues are recorded.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

P. Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions, as well as short-term interfund loans are classified as “due to and from other funds”. Long-term interfund loans (non-current portion) are reported as “advances to and from other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Q. Long-term obligations

The liabilities for long-term obligations consisting of general obligation bonds payable, special assessment bonds payable, compensated absences, judgments and claims, other post-employment benefits, proportionate share of the net pension liability, total LOSAP pension liability and liability for landfill closure and post-closure care costs are recognized in the government-wide financial statements. Bond premiums, discounts and any prepaid bond insurance costs are deferred and amortized over the life of the bonds using the straight line method, and bond issuance costs are recognized as an expense in the period incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, long-term obligations are not reported as liabilities. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures when paid.

R. Compensated absences (accumulated unpaid vacation, sick pay and other employee benefits)

Town employees receive accumulated earned but unused vacation and sick pay benefits pursuant to labor contracts or Town policies. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave at various rates subject to certain maximum limitations.

The liability for vested or accumulated vacation or sick leave (compensated absences) is recorded as current and non-current obligations in the government-wide financial statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, only the compensated absence liability payable from expendable available financial resources is incurred. The amount that is expected to be liquidated with expendable available financial resources is reported as expenditures and a liability in the fund financial statements and the respective fund that will pay it and are reported in the fund financial statements, only to the extent that they have matured.

S. Other benefits

Town employees participate in the New York State and Local Retirement System. In addition to providing pension benefits, the Town provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all of the Town’s employees may become eligible for these benefits if they reach normal retirement age while working for the Town. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the Town and the retired employee. The Town recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

T. Notes payable

Tax anticipation notes and revenue anticipation notes are generally recorded as fund liabilities in the fund receiving the proceeds. Bond anticipation notes are classified as fund liabilities in the funds receiving the proceeds unless all legal steps have been taken to refinance the notes and the intent is supported by an ability to consummate refinancing the short-term note on a long-term basis, at which time they are recorded as other financing sources in the fund financial statements. In the government-wide Statement of Net Position, they are recorded as a liability.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

U. Equity classifications:

Government-wide financial statements and proprietary fund financial statements

In the government-wide and proprietary fund financial statements, there are three classes of net position:

1. Net investment in capital assets: consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvements of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
2. Restricted: consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
3. Unrestricted: is the amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund financial statements

In the fund financial statements, there are five classifications of fund balance:

1. Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes prepaid items recorded in the Town's various funds.
2. Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The Town reports the following restricted fund balances:

Debt Service

According to General Municipal Law §6-l, the Debt Service Reserve must be established for the purpose of retiring the outstanding debt service payments on the general obligation bonds used to originally purchase the property. The funding of the reserve is from the proceeds of the sale of property or capital improvement.

A summary of the activity in the Debt Service Reserve for the year ended December 31, 2019 is as follows:

Balance - beginning	\$ 7,475,960
Additions to debt service reserve	2,785,151
Liquidation of reserve for debt service payments	<u>(5,887,670)</u>
Balance - ending	<u><u>\$ 4,373,441</u></u>

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Tax Stabilization

According to General Municipal Law §6-I and Town Law, the Tax Stabilization Reserve was established for the purposes of providing a degree of stability and to weather fluctuations in revenues and expenditures without severely impacting property tax rates. The monies in the reserve may be expended only pursuant to an appropriation for purposes authorized by the Town Supervisor and the adoption of a resolution appropriating the recommended amount by at least two-thirds of the voting strength of the Town Board.

Capital

Capital Projects Funds are used to account for and report financial resources that are restricted for capital outlays, including the acquisition or construction of capital facilities and other capital assets, and accordingly the Town has reflected its fund balance as such. Capital Projects Funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Community Preservation

The Town established a Community Preservation Fund (the “CPF”) in accordance with Town Law Section 64-d and 64-e and Local Law Section 139 for the purpose of protecting and preserving open and undeveloped lands in the Town of Southampton, including wetlands, woodlands, agricultural lands, shore lands, and other natural resources of the Town, for the purpose of protecting historic places and properties within the Town and for the purpose of providing the Town’s visitors and residents with outdoor recreational opportunities. Funding of this reserve is primarily from revenues collected from the two percent real estate transfer tax imposed by the Town pursuant to Article 31-D of New York State Tax Law. In accordance with Local Law Section 139, financial activities for the Community Preservation Fund are maintained in a separate bank account. The Town currently accounts for the financial activity of the Community Preservation Fund as a major governmental fund. In accordance with the purpose of this fund, not more than ten percent of the fund shall be utilized for management and stewardship activities. Upon completion of the Community Preservation Project Plan, any remaining funds will be applied to reduce any bonded indebtedness or other obligations incurred.

Special Revenue - Park Improvements

The Town’s Special Revenue Fund is used to account for and report financial resources that are legally restricted by the source of the contribution. The Special Revenue Fund accounts for a number of different projects all of which are restricted and therefore the entire fund balance is considered restricted.

Grants

The Town’s Special Grant Fund is used to account for and report financial resources that are restricted for the Town’s various housing and urban development grant programs. The Housing Choice Voucher program and the Community Development Block Grant, both funded by the U.S. Department of Housing and Urban Development (“HUD”), are accounted for in this fund. The remaining proceeds (if any) are restricted only for those programs and therefore the entire fund balance is considered restricted.

3. Committed - Includes amounts that are subject to a purpose constraint imposed by a formal action of the government’s highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Town Board is the decision-making authority that can, by Board resolution, commit fund balance.
4. Assigned - Includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed, except for tax stabilization agreements. The intent can be expressed by the Board or through the Board delegating this responsibility to the Town administration through the budgetary process. The classification also includes the remaining positive fund balances for all governmental funds except for the General Fund.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

5. Unassigned - Includes all other General Fund fund balance that does not meet the definition of the above four classifications and are deemed to be available for general use by the Town. The unassigned classification also includes negative residual balances of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

Fund balances for all the major and non-major governmental funds as of December 31, 2019, were distributed as follows:

	General Fund	Police District Fund	Town Outside Village Fund	Highway Fund	Public Safety Communications Fund	Capital Projects Fund	Community Preservation Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable									
Prepaid items	\$ 2,345,959	\$ 1,417,558	\$ 245,417	\$ 346,398	\$ 127,502	\$ -	\$ 25,330	\$ 77,569	\$ 4,585,733
Total nonspendable	2,345,959	1,417,558	245,417	346,398	127,502	-	25,330	77,569	4,585,733
Restricted									
Debt reserve	354,171	17,382	31,899	447,793	1,205	-	2,762,799	758,192	4,373,441
Tax stabilization	4,466,877	-	-	-	-	-	-	-	4,466,877
Capital projects	-	-	-	-	-	18,157,083	-	-	18,157,083
Community preservation	-	-	-	-	-	-	67,786,234	-	67,786,234
Park improvements	-	-	-	-	-	-	-	2,306,970	2,306,970
HUD grants	-	-	-	-	-	-	-	171,059	171,059
Total restricted	4,821,048	17,382	31,899	447,793	1,205	18,157,083	70,549,033	3,236,221	97,261,664
Committed									
Dune road repairs	-	-	-	-	-	-	-	55,000	55,000
Total committed	-	-	-	-	-	-	-	55,000	55,000
Assigned									
Appropriated for subsequent year's expenditures	600,000	250,000	750,000	175,000	150,000	-	-	274,860	2,199,860
Encumbrances	81,217	491,087	6,567	-	-	-	-	73,441	652,312
Unappropriated fund balance	-	573,433	1,177,054	3,205,301	698,208	-	-	4,650,903	10,304,899
Total assigned	681,217	1,314,520	1,933,621	3,380,301	848,208	-	-	4,999,204	13,157,071
Unassigned	15,861,775	-	-	-	-	-	-	-	15,861,775
Total	\$ 23,709,999	\$ 2,749,460	\$ 2,210,937	\$ 4,174,492	\$ 976,915	\$ 18,157,083	\$ 70,574,363	\$ 8,367,994	\$ 130,921,243

Net position and fund balance flow assumptions

Sometimes the Town will fund outlays for a particular purpose from both restricted (i.e. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Minimum fund balance policy

The Town Board has adopted a minimum fund balance policy for the General Fund. The policy requires the unassigned fund balance at fiscal year-end to be at least 7% of the ensuing years General Fund operating budget.

3. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND FINANCIAL STATEMENTS AND GOVERNMENT-WIDE FINANCIAL STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund financial statements and the government-wide financial statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

A. Total fund balances of governmental funds vs. net position of governmental activities

Total fund balances of the Town's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental funds Balance Sheet.

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories. The categories are shown below:

1. Long-term revenue/expense differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

2. Capital related differences

Capital related differences include the difference between proceeds from the sale of capital assets reported on governmental fund financial statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund financial statements and depreciation expense on those items as recorded in the Statement of Activities.

3. Long-term debt transaction differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund financial statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

4. Pension and LOSAP differences

Pension differences occur as a result of changes in the Town's proportion of the collective net pension liability and differences between the Town's contributions and its proportionate share of the total contributions to the pension systems. Differences also occur as a result of changes in the LOSAP total pension liability and related deferred inflows and outflows of resources.

5. OPEB differences

OPEB differences occur as a result of changes in the Town's total OPEB liability and differences between the Town's contributions and OPEB expense.

4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary data

The Town follows the procedures enumerated below in establishing the budgetary data (pages 78 through 95, as well as pages 106 through 113) reflected in the financial statements:

1. On or before September 20th, each department, office or district submits to the Supervisor and the Comptroller a detailed estimate of the budget known as "departmental estimates" for the amount of revenue to be received and expenditures to be made for the ensuing year.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. On or before September 30th, the Supervisor files a tentative budget with the Town Clerk and the Comptroller.
3. On or before October 5th, the Town Clerk presents to the Town Board a tentative budget for the ensuing year (Town Law Sections 106 and 108). The Town Board reviews the tentative budget and files a preliminary budget with the Town Clerk.
4. The Town Board conducts a public hearing on the preliminary budget, and on or before November 20th, the Town Board meets to adopt the budget now known as the “adopted budget”.
5. Formal budgetary integration is employed during the year as a management control device for the General Fund and certain major funds. The Town Board adopts the budget and establishes a legal level of control of the budget at the object level of expenditures. The object level identifies expenditures by the article purchased or service obtained in order to carry out a function. Appropriations are adopted at the object level. All budgetary amendments and transfers of appropriation require Town Board approval. Appropriations for all governmental funds except the Capital Projects Fund lapse at year-end, except that outstanding encumbrances are re-appropriated in the succeeding year in the approved budgetary account line. In order to show the full legal level of budgetary compliance for the General Fund and certain other funds, detailed individual statements of revenues, expenditures and changes in fund balance – budget and actual, are presented as supplementary schedules in this report.
6. Budgets for the General Fund and certain major funds are legally adopted for each year. The budgets are adopted on a basis of accounting consistent with GAAP. In the event that actual revenues received exceed budgeted amounts, additional budgetary appropriations may be made. The Capital Projects Fund and Special Grant Funds are budgeted on a project or grant basis. The Special Revenue Fund does not have an annually adopted budget.

B. Fund balances

Assignment of fund balance

Portions of the assigned fund balances at December 31, 2019 were appropriated for the subsequent year’s operating budgets as follows:

<u>Fund</u>	<u>Total Assigned Fund Balance</u>	<u>Fund Balance Appropriated For Subsequent Year</u>
Major Governmental Funds:		
General Fund	\$ 681,217	\$ 600,000
Police District Fund	1,314,520	250,000
Town Outside Village Fund	1,933,621	750,000
Highway Fund	3,380,301	175,000
Public Safety Communications Fund	848,208	150,000
Non-Major Governmental Funds	<u>4,999,204</u>	<u>274,860</u>
Total	<u>\$ 13,157,071</u>	<u>\$ 2,199,860</u>

Fund deficits

As of December 31, 2019, there were no deficit fund balances in any governmental funds.

**TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

5. CASH AND CASH EQUIVALENTS - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT AND INTEREST RATE

Cash consists of funds deposited in demand accounts, time deposit accounts and certificates of deposit with maturities of less than three months.

The Town's investments are governed by a formal investment policy. The Town's monies must be deposited in Federal Deposit Insurance Corporation ("FDIC") insured commercial banks or trust companies located within the State. The Town is authorized to use certificates of deposit, N.O.W., super N.O.W. accounts and money market deposit accounts.

It is the Town's policy to require collateral held in the name of the Town for demand deposits, money market deposits and certificates of deposit for all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

Custodial credit risk - deposits/investments: Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government may be unable to recover deposits, or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exists when, in the event of the failure of the counterparty, a government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

- Uncollateralized,
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent but not in the Town's name.

As of December 31, 2019, the cash balances were as follows:

	<u>Bank Balance</u>	<u>Book Balance</u>
Town of Southampton	\$ 155,351,769	\$ 151,572,869
Town of Southampton Housing Authority	264,413	247,880
Trustees of the Freeholders	<u>1,145,313</u>	<u>1,144,171</u>
Total	<u><u>\$ 156,761,495</u></u>	<u><u>\$ 152,964,920</u></u>

All cash balances as of December 31, 2019 are collateralized with securities held by the pledging financial institution.

Credit risk: State law and Town law limit investments to those authorized by State statutes. The Town has a written investment policy.

Interest-rate risk: Interest-rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates substantially increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. Accordingly, such investments would have to be held to maturity to avoid a potential loss.

Concentration of credit risk: Credit risk can arise as a result of failure to adequately diversify investments. Concentration risk disclosure is required for positions of 5 percent or more in securities of a single issuer.

As of December 31, 2019, the Town did not have any investments subject to credit risk, interest-rate risk or concentration of credit risk.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances for the primary government at December 31, 2019 primarily represent the payment of operating expenditures that will be reimbursed subsequent to year end and are stated as follows:

	Amount Receivable	Amount Payable
Major Governmental Funds:		
General Fund	\$ 7,399,065	\$ -
Police District Fund	25,443	-
Town Outside Village Fund	4,002	-
Highway Fund	549,509	-
Public Safety Communications Fund	-	711
Capital Projects Fund	-	5,985,106
Community Preservation Fund	-	1,792
Non-Major Governmental Funds	2,881	1,655,000
Major Business-Type Funds:		
Beaches and Marinas	74,190	39
Waste Management	438,547	-
Agency Funds	2,542	853,531
Total	<u>\$ 8,496,179</u>	<u>\$ 8,496,179</u>

Interfund transfer balances for the primary government at December 31, 2019 primarily represent the payment of operating and capital expenditures in addition to general obligation bond and bond anticipation note principal and interest and are stated as follows:

	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	\$ 676,888	\$ 1,121,210
Police District Fund	98,000	60,000
Town Outside Village Fund	25,000	50,000
Highway Fund	13,507	274,000
Capital Projects Fund	11,205,718	1,422,904
Community Preservation Fund	125,000	6,484,197
Non-Major Governmental Funds	6,363	2,438,165
Major Business-Type Fund:		
Beaches and Marinas	-	175,000
Non-Major Business-Type Fund:		
Golf Course	-	125,000
Total	<u>\$ 12,150,476</u>	<u>\$ 12,150,476</u>

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. CAPITAL ASSETS

Governmental activities, capital asset balances and activity for the year ended December 31, 2019 were as follows:

	Beginning Balance	Additions	Reclassifications/ Reductions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 611,482,582	\$ 30,686,854	\$ -	\$ 642,169,436
Development and access rights	304,532,100	2,092,354	-	306,624,454
Construction-in-progress	12,773,843	416,864	(11,911,633)	1,279,074
Total	<u>\$ 928,788,525</u>	<u>\$ 33,196,072</u>	<u>\$ (11,911,633)</u>	<u>950,072,964</u>
Depreciable capital assets:				
Buildings	\$ 54,269,019	\$ 8,366,221	\$ 11,896,213	74,531,453
Improvements other than buildings	44,255,888	3,389,343	-	47,645,231
Machinery and equipment	29,226,650	2,346,380	(667,008)	30,906,022
Infrastructure -				
Bridges	1,075,249	2,162,458	-	3,237,707
Landfill	9,401,652	-	-	9,401,652
Roads, curbs and sidewalks	373,325,665	4,816,347	-	378,142,012
Lighting system	1,349,791	1,617,849	-	2,967,640
Bulkheads, piers and boardwalks	13,220,568	308,406	-	13,528,974
Water and sewer mains	15,460,482	1,785,229	-	17,245,711
Total depreciable capital assets	<u>\$ 541,584,964</u>	<u>\$ 24,792,233</u>	<u>\$ 11,229,205</u>	<u>577,606,402</u>
Less accumulated depreciation:				
Buildings	\$ 22,006,849	\$ 1,595,168	\$ (15,420)	23,586,597
Improvements other than buildings	18,393,738	2,301,627	-	20,695,365
Machinery and equipment	20,963,013	2,102,416	(640,605)	22,424,824
Infrastructure -				
Bridges	359,504	136,275	-	495,779
Landfill	7,487,157	313,388	-	7,800,545
Roads, curbs and sidewalks	275,268,581	10,813,198	-	286,081,779
Lighting system	1,344,331	54,068	-	1,398,399
Bulkheads, piers and boardwalks	8,371,287	396,179	-	8,767,466
Water and sewer mains	5,432,315	416,648	-	5,848,963
Total accumulated depreciation	<u>\$ 359,626,775</u>	<u>\$ 18,128,967</u>	<u>\$ (656,025)</u>	<u>377,099,717</u>
Total depreciable capital assets, net				<u>200,506,685</u>
Total capital assets, net				<u>\$ 1,150,579,649</u>
Depreciation expense was charged to governmental functions as follows:				
General governmental support				\$ 4,182,353
Public safety				8,451,724
Transportation				1,885,413
Economic assistance and opportunity				850,249
Culture and recreation				801,300
Home and community services				1,957,928
Total governmental activities depreciation expense				<u>\$ 18,128,967</u>

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Business-type activities, capital asset balances and activity for the year ended December 31, 2019 were as follows:

	Beginning Balance	Additions	Reclassifications/ Reductions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 13,329,090	\$ -	\$ -	\$ 13,329,090
Construction-in-progress	469,508	-	(469,508)	-
Total	<u>\$ 13,798,598</u>	<u>\$ -</u>	<u>\$ (469,508)</u>	<u>13,329,090</u>
Depreciable capital assets:				
Buildings	\$ 4,933,679	\$ 2,938,447	\$ 469,508	8,341,634
Improvements other than buildings	9,067,766	78,084	-	9,145,850
Machinery and equipment	3,435,050	376,553	-	3,811,603
Total depreciable capital assets	<u>\$ 17,436,495</u>	<u>\$ 3,393,084</u>	<u>\$ 469,508</u>	<u>21,299,087</u>
Less accumulated depreciation:				
Buildings	\$ 1,930,486	\$ 219,594	\$ -	2,150,080
Improvements other than buildings	4,501,510	478,884	-	4,980,394
Machinery and equipment	2,104,160	212,571	-	2,316,731
Total accumulated depreciation	<u>\$ 8,536,156</u>	<u>\$ 911,049</u>	<u>\$ -</u>	<u>9,447,205</u>
Total depreciable capital assets, net				<u>11,851,882</u>
Total capital assets, net				<u>\$ 25,180,972</u>
Depreciation expense was charged to business-type activities functions as follows:				
Beaches and marinas				\$ 443,842
Waste management				389,850
Golf course				<u>77,357</u>
Total business-type activities depreciation expense				<u>\$ 911,049</u>

The Town of Southampton evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Town's policy is to record an impairment loss in the period when the Town determines that the carrying amount of the asset will not be recoverable. At December 31, 2019, the Town has not recorded any such impairment losses.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Discretely presented component unit's capital asset balances and activity for the year ended December 31, 2019 were as follows:

	Beginning Balance	Additions	Reclassifications/ Reductions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 751,700	\$ -	\$ -	\$ 751,700
Construction-in-progress	221,458	318,901	-	540,359
Total	<u>\$ 973,158</u>	<u>\$ 318,901</u>	<u>\$ -</u>	<u>1,292,059</u>
Depreciable capital assets:				
Buildings	\$ 2,575,206	\$ -	\$ -	2,575,206
Building improvements	1,042,094	22,124	-	1,064,218
Equipment	205,188	12,035	-	217,223
Total depreciable capital assets	<u>\$ 3,822,488</u>	<u>\$ 34,159</u>	<u>\$ -</u>	<u>3,856,647</u>
Less accumulated depreciation:				
Buildings	\$ 823,222	\$ 60,895	\$ -	884,117
Building improvements	387,250	59,482	-	446,732
Equipment	179,774	4,481	-	184,255
Total accumulated depreciation	<u>\$ 1,390,246</u>	<u>\$ 124,858</u>	<u>\$ -</u>	<u>1,515,104</u>
Total depreciable capital assets, net				<u>2,341,543</u>
Total capital assets, net				<u>\$ 3,633,602</u>
Depreciation expense was charged as follows:				
Economic assistance and opportunity				<u>\$ 124,858</u>

8. SHORT-TERM DEBT

Bond anticipation notes ("BANs") are used as a temporary means of financing capital expenditures in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12 month period thereafter. Liabilities for BANs are generally accounted for in the Capital Projects Fund. BANs are generally paid from the proceeds of bond issuance after renewal of these notes.

Interest expense resulting from the issuance of short-term debt for the year ended December 31, 2019 was \$36,113.

A summary of changes in short-term debt for the Town for the year ended December 31, 2019 is as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN matured on 2/21/19 @ 2.25%	<u>\$ 1,605,000</u>	<u>\$ -</u>	<u>\$ 1,605,000</u>	<u>\$ -</u>

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

9. LONG-TERM DEBT OBLIGATIONS

Long-term liability balances and activity for the year are summarized below:

	Beginning Balance	Increases	Reductions	Ending Balance	Amounts Due Within One Year	Noncurrent Liabilities
Governmental activities:						
General obligation bonds payable	\$ 97,725,397	\$ 24,600,278	\$ 49,980,078	\$ 72,345,597	\$ 13,327,241	\$ 59,018,356
Unamortized bond discounts and premiums	2,644,928	1,049,216	575,298	3,118,846	616,599	2,502,247
Total general obligation bonds, net	100,370,325	25,649,494	50,555,376	75,464,443	13,943,840	61,520,603
Special assessment bonds with governmental commitment	939,246	18,042	86,120	871,168	72,484	798,684
Installment purchase debt payable	-	1,617,848	-	1,617,848	104,491	1,513,357
Compensated absences	9,576,063	906,193	662,563	9,819,693	200,000	9,619,693
Judgments and claims payable	2,835,787	-	585,787	2,250,000	502,237	1,747,763
Retainages held	486,186	407,122	138,943	754,365	75,437	678,928
Estimated liability for landfill closure and post-closure care costs	3,795,932	35,519	-	3,831,451	192,291	3,639,160
Total governmental activities	\$ 118,003,539	\$ 28,634,218	\$ 52,028,789	\$ 94,608,968	\$ 15,090,780	\$ 79,518,188
Business-type activities:						
General obligation bonds payable	\$ 6,690,357	\$ 3,188,680	\$ 2,413,851	\$ 7,465,186	\$ 1,027,274	\$ 6,437,912
Unamortized bond premiums	191,489	131,877	39,664	283,702	32,804	250,898
Total general obligation bonds, net	6,881,846	3,320,557	2,453,515	7,748,888	1,060,078	6,688,810
Compensated absences	68,745	24,975	10,759	82,961	10,000	72,961
Total business-type activities	\$ 6,950,591	\$ 3,345,532	\$ 2,464,274	\$ 7,831,849	\$ 1,070,078	\$ 6,761,771
Discretely presented component unit:						
General obligation bonds payable	\$ 3,142,000	\$ -	\$ 88,000	\$ 3,054,000	\$ 89,000	\$ 2,965,000
Unamortized bond discounts	(28,138)	-	(971)	(27,167)	(970)	(26,197)
Total general obligation bonds, net	3,113,862	-	87,029	3,026,833	88,030	2,938,803
Mortgage payable	173,000	162,000	-	335,000	335,000	-
Note payable	150,000	-	-	150,000	150,000	-
Total discretely presented component unit	\$ 3,436,862	\$ 162,000	\$ 87,029	\$ 3,511,833	\$ 573,030	\$ 2,938,803

General obligation bonds - The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are backed by the full faith and credit of the Town, bear interest at various rates from 1.000% to 5.000% and have maturity dates in 2021 through 2039.

In May 2019, the Town issued \$15,217,000 in public improvement serial bonds with an interest rate of 2.00% increasing to 3.00%. The proceeds of the bond were used for various capital improvements and to acquire various equipment. The total purchase price of the bonds was \$15,250,508 with an original issue premium of \$33,508, which will be amortized over the life of the bonds on a straight-line basis as a component of interest expense in the Statement of Activities.

In May 2019, the Town issued \$12,590,000 in refunding serial bonds with an interest rate of 5.00% decreasing to 2.00%. The proceeds of the bonds were used to refund \$9,955,000 of 2010 public improvement serial bonds and \$3,675,000 of 2011 public improvement serial bonds. The total purchase price of the bonds was \$13,737,585 with an original issue premium of \$1,147,585, which will be amortized over the life of the new bonds on a straight-line basis as a component of interest expense in the Statement of Activities. As a result, the 2010 and 2011 bonds are considered legally defeased and the liability for those bonds has been removed from the Statement of Net Position.

Special assessment bonds - The Town has \$871,168 of special assessment debt outstanding to provide funds for road improvements. These bonds will be repaid from amounts levied against the property owners benefited by these improvements. In the event that a deficiency exists because of unpaid delinquent special assessments at the time a debt service payment is due, and although the Town is not directly liable, the Town must provide resources to cover the deficiency until other resources are received. The bonds have interest rates ranging from 2.00% to 5.00% and have maturity dates in 2024 through 2033.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Installment purchase debt - During 2019, the Town entered into a \$1,617,848 installment purchase obligation to finance the cost of various equipment through the General Fund and Lighting District Fund. Terms of the obligation include semiannual principal payments due August 2020 through August 2026 with an interest rate of 1.80%.

The following is a summary of the maturity of long-term bond indebtedness:

Governmental activities:

General obligations bonds payable -

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding December 31, 2019
NYS EFC bonds	3/13/03	4/15/20	1.031%-4.551%	\$ 55,000
Refunding serial bonds	5/1/10	5/1/22	2.000%-4.500%	1,102,315
Refunding serial bonds	8/8/12	10/1/23	2.000%-5.000%	2,295,000
Retirement serial bonds	11/27/12	11/15/22	2.000%-2.400%	690,000
Public improvement serial bonds	4/17/13	4/15/27	2.000%-2.375%	4,360,000
Erosion control district serial bonds	9/4/13	9/1/23	2.000%-4.000%	9,385,000
Refunding EFC serial bond	5/2/14	11/16/20	4.061%-4.235%	1,020,000
Public improvement serial bonds	7/9/14	4/1/29	2.000%-3.000%	2,580,000
Refunding serial bonds	9/4/14	11/1/24	2.000%-5.000%	1,205,054
Public improvement serial bonds	2/24/15	2/15/30	1.000%-2.500%	3,125,000
Refunding serial bonds	4/28/15	3/15/22	2.000%-3.000%	2,294,950
Public improvement serial bonds	2/1/16	2/15/31	2.000%-2.750%	6,322,000
Public improvement serial bonds	2/1/17	2/15/32	2.000%-2.750%	5,806,000
Public improvement serial bonds	6/19/18	5/15/33	3.000%	7,505,000
Public improvement serial bonds	5/23/19	5/15/39	2.000%-3.000%	13,432,000
Refunding serial bonds	5/23/19	2/1/29	2.000%-5.000%	11,168,278
				<u>\$ 72,345,597</u>

Special assessment bonds -

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding December 31, 2019
Refunding serial bonds	9/4/14	11/1/24	2.000%-5.000%	\$ 8,126
Public improvement serial bonds	6/19/18	5/15/33	3.000%	845,000
Refunding serial bonds	5/23/19	2/1/29	2.000%-5.000%	18,042
				<u>\$ 871,168</u>

Business-type activities:

General obligation bonds payable -

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding December 31, 2019
Refunding serial bonds	5/1/10	5/1/22	2.000%-4.500%	\$ 32,636
Public improvement serial bonds	4/17/13	4/15/27	2.000%-2.375%	265,000
Public improvement serial bonds	7/9/14	4/1/29	2.000%-3.000%	100,000
Refunding serial bonds	9/4/14	11/1/24	2.000%-5.000%	211,820
Public improvement serial bonds	2/24/15	2/15/30	1.000%-2.500%	55,000
Refunding serial bonds	4/28/15	3/15/22	2.000%-3.000%	915,050
Public improvement serial bonds	2/1/16	2/15/31	2.000%-2.750%	288,000
Public improvement serial bonds	2/1/17	2/15/32	2.000%-2.750%	769,000
Public improvement serial bonds	6/19/18	5/15/33	3.000%	1,640,000
Public improvement serial bonds	5/23/19	5/15/39	2.000%-3.000%	1,785,000
Refunding serial bonds	5/23/19	2/1/29	2.000%-5.000%	1,403,680
				<u>\$ 7,465,186</u>

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following is a summary of maturing debt service requirements for bonds:

	Principal	Interest	Total
Governmental activities:			
General obligations bonds payable -			
Year ended December 31,			
2020	\$ 13,327,241	\$ 2,209,034	\$ 15,536,275
2021	10,135,690	1,604,916	11,740,606
2022	10,139,299	1,270,839	11,410,138
2023	7,792,789	978,928	8,771,717
2024	4,935,105	728,776	5,663,881
2025-2029	17,227,473	2,107,888	19,335,361
2030-2034	7,163,000	631,706	7,794,706
2035-2039	1,625,000	121,875	1,746,875
	<u>\$ 72,345,597</u>	<u>\$ 9,653,962</u>	<u>\$ 81,999,559</u>

Special assessment bonds -

Year ended December 31,			
2020	\$ 72,484	\$ 26,549	\$ 99,033
2021	64,455	24,123	88,578
2022	64,562	22,097	86,659
2023	64,661	22,067	86,728
2024	60,000	18,150	78,150
2025-2029	300,000	63,750	363,750
2030-2033	245,006	18,600	263,606
	<u>\$ 871,168</u>	<u>\$ 195,336</u>	<u>\$ 1,066,504</u>

Business-type activities:

General obligations bonds payable -

Year ended December 31,			
2020	\$ 1,027,274	\$ 224,704	\$ 1,251,978
2021	839,855	170,538	1,010,393
2022	871,139	144,290	1,015,429
2023	527,550	122,640	650,190
2024	529,895	106,411	636,306
2025-2029	2,452,473	315,182	2,767,655
2030-2034	1,142,000	79,875	1,221,875
2035-2039	75,000	5,625	80,625
	<u>\$ 7,465,186</u>	<u>\$ 1,169,265</u>	<u>\$ 8,634,451</u>

The following is a summary of maturing debt service requirements for installment purchase debt:

Year ended December 31,			
2020	\$ 104,491	\$ 29,121	\$ 133,612
2021	241,063	26,161	267,224
2022	245,422	21,802	267,224
2023	249,860	17,364	267,224
2024	254,377	12,847	267,224
2025-2026	522,635	11,812	534,447
	<u>\$ 1,617,848</u>	<u>\$ 119,107</u>	<u>\$ 1,736,955</u>

**TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Interest on governmental activities long-term debt for the year was composed of:

Interest paid	\$ 2,802,776
Less interest accrued in the prior year	(846,250)
Plus interest accrued in the current year	652,792
Amortization of discounts, premiums and deferred charges	<u>(475,994)</u>
Total expense	<u><u>\$ 2,133,324</u></u>

Interest on business-type activities long-term debt for the year was composed of:

Interest paid	\$ 208,251
Less interest accrued in the prior year	(72,165)
Plus interest accrued in the current year	59,631
Amortization of premiums and deferred charges	<u>(33,690)</u>
Total expense	<u><u>\$ 162,027</u></u>

Other long-term debt - Liabilities for judgments and claims, retainages held and landfill closure and post-closure care costs are liquidated through future budgetary appropriations in the General Fund. The liabilities for compensated absences are liquidated through future budgetary appropriation in the funds that gave rise to the liability, with the majority being liquidated through the General Fund and Police District Fund.

Discretely presented component unit -

Mortgage payable - In December 2018, the Town of Southampton Housing Authority (the "Authority") obtained \$335,000 in a mortgage payable at the prime interest rate of 5.50%. The proceeds were used to finance the acquisition of a property. The mortgage is expected to be repaid in full in the upcoming year.

Note payable - In May 2013, the Authority issued \$650,000 in notes payable at an interest rate of 2.95%, which was below the prime rate of 3.25%. The proceeds were used to pay off a project developer's existing mortgage obligation, provide additional funding for the development of a future project (to the same project developer) and to reconstruct, furnish and equip a single family low income rental housing project. The remaining balance of \$150,000 is payable on demand.

General obligation bonds - In December 2012, the Authority issued \$3,500,000 of revenue bonds at various interest rates ranging from 1.5% to 3.5%. The proceeds were used to pay off existing mortgage obligations and to issue new monies for future projects related to the Hampton Bays Apartments. The bond is guaranteed by the Town of Southampton, which also acts as the fiscal agent, remitting payment to the registered owners of the bonds on the applicable payment dates. The bond is due to mature in December of 2047. The outstanding balance as of December 31, 2019 is \$3,035,000.

In June 2010, the Authority issued \$110,000 of general obligation bonds at an interest rate of 3.55%. The proceeds were used to reconstruct, furnish and equip a single family low income rental housing project located within the Town of Southampton. The outstanding balance as of December 31, 2019 is \$19,000.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following is a summary of maturing debt service requirements for the discretely presented component unit's general obligation bonds:

Year ended <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 89,000	\$ 96,150	\$ 185,150
2021	75,000	94,025	169,025
2022	75,000	92,431	167,431
2023	75,000	90,697	165,697
2024	75,000	88,869	163,869
2025-2029	430,000	408,606	838,606
2030-2034	500,000	338,294	838,294
2035-2039	575,000	253,734	828,734
2040-2044	685,000	144,288	829,288
2045-2047	475,000	25,113	500,113
	<u>\$ 3,054,000</u>	<u>\$ 1,632,207</u>	<u>\$ 4,686,207</u>

10. PENSION PLANS

Plan description

The Town of Southampton participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System (the "System"). These are cost-sharing, multiple-employer defined benefit retirement systems. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York (the "Comptroller") serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2018, he was elected for a new term commencing January 1, 2019. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("RSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan ("GLIP"), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Benefits provided

The System provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

Special Plans

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS and PFRS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

Contributions

The Systems are noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the RSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Required contributions for the current year and two preceding years were as follows:

<u>Year</u>	<u>NYSERS</u>	<u>NYSPFRS</u>
2019	\$ 3,879,475	\$ 3,507,431
2018	3,873,603	3,255,244
2017	3,796,025	3,313,428

Pension liabilities, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

At December 31, 2019, the Town reported a liability of \$13,623,734 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2018. Update procedures were used to roll forward the pension liability to March 31, 2019. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2019, the Town's proportion was 0.0957216% for ERS and 0.4079492% for PFRS. The Town's proportion was consistent with December 31, 2018.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2019, the Town recognized pension expense of \$4,462,572 for ERS and \$4,274,413 for PFRS. At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources - NYSERS	Deferred Outflows of Resources - NYSPFRS	Deferred Inflows of Resources - NYSERS	Deferred Inflows of Resources - NYSPFRS
Differences between expected experience and actual experience	\$ 1,335,551	\$ 1,662,006	\$ 455,274	\$ 730,450
Changes of assumptions	1,704,760	2,485,724	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	1,740,679	1,370,199
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	251,739	36,247	89,240	690,033
Employer contributions made subsequent to the measurement date	3,879,475	3,507,431	-	-
Total	<u>\$ 7,171,525</u>	<u>\$ 7,691,408</u>	<u>\$ 2,285,193</u>	<u>\$ 2,790,682</u>

Deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	NYSERS	NYSPFRS
For the year ended:		
2020	\$ 1,443,223	\$ 1,160,603
2021	(1,309,809)	(444,897)
2022	(83,024)	(132,969)
2023	956,467	690,155
2024	-	120,403

Actuarial assumptions

The total pension liability at March 31, 2019 was determined by using an actuarial valuation as of April 1, 2018, with update procedures used to roll forward the total pension liability to March 31, 2019. The actuarial valuation used the following actuarial assumptions:

	NYSERS	NYSPFRS
Measurement date	March 31, 2019	March 31, 2019
Actuarial valuation date	April 1, 2018	April 1, 2018
Interest rate	7.00%	7.00%
Salary scale	4.20%	5.00%
Decrement tables	April 1, 2010 - March 31, 2015 System's Experience	April 1, 2010 - March 31, 2015 System's Experience
Inflation rate	2.50%	2.50%

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2019 are summarized below:

Asset Type	NYSERS and NYSPFRS	
	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return strategies	2.00%	3.75%
Bonds and mortgages	17.00%	1.31%
Cash	1.00%	(0.25%)
Domestic equity	36.00%	4.55%
Inflation-indexed bonds	4.00%	1.25%
International equity	14.00%	6.35%
Opportunistic portfolio	3.00%	5.68%
Private equity	10.00%	7.50%
Real assets	3.00%	5.29%
Real estate	10.00%	5.55%
	<u>100.00%</u>	

Discount rate

The discount rate used to calculate the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension liability to the discount rate assumption

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	1% Decrease (6.00%)	Current assumption (7.00%)	1% Increase (8.00%)
<u>NYSERS</u>			
Employer's proportionate share of the net pension liability (asset)	\$ 29,652,723	\$ 6,782,168	\$ (12,430,720)
<u>NYSPFRS</u>			
Employer's proportionate share of the net pension liability (asset)	\$ 24,724,399	\$ 6,841,566	\$ (8,092,674)

Pension plan fiduciary net position

The components of the current-year net pension liability of the employers as of March 31, 2019, were as follows:

	(Dollars in Thousands)		
	<u>NYSERS</u>	<u>NYSPFRS</u>	<u>Total</u>
Employers' total pension liability	\$ 189,803,429	\$ 34,128,100	\$ 223,931,529
Plan net position	(182,718,124)	(32,451,037)	(215,169,161)
Employers' net pension liability	<u>\$ 7,085,305</u>	<u>\$ 1,677,063</u>	<u>\$ 8,762,368</u>
Ratio of plan net position to the Employers' total pension liability	96.27%	95.09%	96.09%

Deferred compensation plan

The Town has established a deferred compensation plan, administered by New York State Deferred Compensation Plan, in accordance with Internal Revenue Code § 457 for all employees. The date that employees are eligible to participate in the plan is the same as the date they begin their employment with the Town. The Town makes no contributions into this plan. The amount deferred by eligible employees for the year ended December 31, 2019 totaled \$2,154,930. A report for this plan may be obtained by writing to N.Y.S. Deferred Compensation Plan, 385 Jordon Road, Troy, NY 12180.

11. LENGTH OF SERVICE AWARD PROGRAM ("LOSAP OR PROGRAM")

Program Description

The Town sponsors four Volunteer Ambulance Workers Service Award Programs (the "Plans"): Westhampton War Memorial Ambulance Corporation, Flanders Northampton Ambulance Corporation, Hampton Bays Volunteer Ambulance Corporation and Southampton Volunteer Ambulance Corporation. All Plans are single-employer defined benefit plans covering the Town's volunteer ambulance workers. The Plans are considered a single plan and are consolidated for financial statement disclosure purposes.

Funding Policy

The Plans are established under New York State Law Section 565-B, A7635-B, Article 11-A. The Plans are non-contributory for the volunteer. The Town is required to contribute the total amount sufficient to cover the normal cost of the plans.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Participation, vesting and service credit

Any volunteer ambulance worker who completes five years of service and attains age 65 is eligible for normal retirement benefits. Participants acquire a non-forfeitable right to a service award after being credited with 5 years of ambulatory service or upon attaining the program's entitlement age. In general, an active volunteer ambulance worker is credited with a year of ambulatory service for each calendar year after the establishment of the program in which he or she accumulated fifty points. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for 5 years of service rendered prior to the establishment of the program.

Benefits

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to \$20 multiplied by the person's total number of years of ambulatory service. The number of years of ambulatory service used to compute the benefit cannot exceed forty. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandated death and disability benefits.

Participants covered by the benefit terms

At the December 31, 2018 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	36
Inactive participants entitled to but not yet receiving benefit payments	92
Active participants	<u>162</u>
Total	<u><u>290</u></u>

Contributions

New York State General Municipal Law §219-o (1) requires the Town Board to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Town Board.

Trust assets

Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Town. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement 73.

Measurement of Total Pension Liability

The total pension liability at the December 31, 2018 measurement date was determined using an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	N/A

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Mortality rates were based on the RP-2014 Mortality Table (60/40 male/female blend) projected for mortality improvement to the year 2020 with scale MP2017.

Discount rate

The discount rate used to measure the total pension liability was 3.64%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2018. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch, or AA by Standard & Poor's Rating Services.

Changes in the Total Pension Discount Rate

The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was 3.16% for the December 31, 2017 measurement date, and 3.64% for the December 31, 2018 measurement date.

Changes in the Total Pension Liability

Balance as of December 31, 2017 measurement date	\$ 5,713,219
Service cost	252,714
Interest	187,046
Changes of assumptions or other inputs	(463,800)
Differences between expected and actual experience	(29,022)
Benefit payments	(93,496)
	<hr/>
Balance as of December 31, 2018 measurement date	<u>\$ 5,566,661</u>

Sensitivity of the total LOSAP pension liability to changes in the discount rate

The following presents the total LOSAP pension liability of the Town as of the December 31, 2018 measurement date, calculated using the discount rate of 3.64 percent, as well as what the Town's total LOSAP pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.64 percent) or 1-percentage point higher (4.64 percent) than the current rate:

	1% decrease (2.64%)	Current discount rate (3.64%)	1% increase (4.64%)
	<hr/>	<hr/>	<hr/>
Total LOSAP pension liability	\$ 6,595,994	\$ 5,566,661	\$ 4,749,456

Pension expense and deferred outflows of resources and deferred inflows of resources related to LOSAP pensions

For the year ended December 31, 2019, the Town recognized pension expense of \$413,927. At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to LOSAP pensions from the following sources:

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 28,177	\$ 106,112
Changes of assumptions or other inputs	395,999	771,350
Benefit payments and administrative expenses subsequent to the measurement date	149,956	-
Totals	<u>\$ 574,132</u>	<u>\$ 877,462</u>

Deferred outflows of resources related to LOSAP pensions resulting from Town transactions subsequent to the measurement date will be recognized as a reduction of the total LOSAP pension liability in the year ended December 31, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to LOSAP pensions will be recognized in pension expense as follows:

<u>Year ended December 31:</u>	
2020	\$ (41,414)
2021	(41,414)
2022	(41,414)
2023	(41,414)
2024	(41,414)
Thereafter	(246,216)

12. POST-EMPLOYMENT BENEFITS

A. General information about the OPEB plan

Plan description

The Town's defined benefit OPEB plan provides OPEB for all permanent full-time employees of the Town. The plan is a single employer defined benefit OPEB plan administered by the Town. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Town Board of Trustees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits provided

The Town provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the Town offices and are available upon request.

Employees covered by benefit terms

As of January 1, 2018, the date of the most recent actuarial valuation, the following employees were covered by the benefit terms:

Inactive participants currently receiving benefit payments	300
Active participants	<u>501</u>
Total	<u>801</u>

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

B. Total OPEB liability

The Town's total OPEB liability of \$337,144,409 was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2018.

Actuarial assumptions and other inputs

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, with update procedures used to roll forward the total OPEB liability to the measurement date, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00% average, including inflation
Discount rate	2.90%
Healthcare cost trend rates	8.0% through 2020, decreasing 0.5% per year to an ultimate rate of 5.0% in 2026
Retirees' share of benefit-related costs	Rates based on percentage of premiums for retirees

The discount rate was based on an average of the December 31, 2019 S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, and the Fidelity GO AA 20 Year Index.

Mortality rates were based on the RP-2014 Healthy Male and Female Tables projected to the valuation date with Scale MP-2018.

C. Changes in the total OPEB liability

Balance as of December 31, 2018	\$ 259,066,095
Service cost	4,388,291
Interest	9,462,552
Changes of assumptions or other inputs	70,230,105
Benefit payments	<u>(6,002,634)</u>
Balance as of December 31, 2019	<u><u>\$ 337,144,409</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.90%) or one percentage point higher (3.90%) than the current discount rate:

	1% decrease (1.90%)	Current discount rate (2.90%)	1% increase (3.90%)
Total OPEB liability as of December 31, 2018	\$ 440,107,386	\$ 337,144,409	\$ 266,661,946

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (7.00%) or one percentage point higher (9.00%) than the current discount rate:

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	1% Decrease (7.00% decreasing to 4.00%)	Current assumption (8.00% decreasing to 5.00%)	1% Increase (9.00% decreasing to 6.00%)
Total OPEB liability as of December 31, 2018	\$ 259,765,843	\$ 337,144,409	\$ 456,934,929

D. OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended December 31, 2019, the Town recognized OPEB expense of \$18,532,850. At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	<u>\$ 70,230,105</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

<u>Year ended December 31:</u>	
2020	\$ 4,682,007
2021	4,682,007
2022	4,682,007
2023	4,682,007
2024	4,682,007
Thereafter	46,820,070

13. COMPENSATED ABSENCES

Town employees are granted vacation and sick leave and earn compensatory absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation, and sick leave, subject to certain limitations.

Estimated vacation, sick leave and compensatory absences accumulated by governmental fund type employees have been recorded in the Statement of Net Position. Payment of vacation time and sick leave is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation, sick leave and compensatory absences when such payments become due. As of December 31, 2019, the value of the accumulated vacation time and sick leave for governmental activities and business-type activities was \$9,902,654.

14. COMMITMENTS AND CONTINGENCIES

A. Risk management

The Town has adopted GASB Standards for Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. The Standards establish principles for risk financing and insurance-related activities. Liabilities for unpaid claims are accrued when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

In common with other municipalities, the Town receives numerous notices of claims. The Town carries base general liability insurance coverage of \$1,000,000 per occurrence with a \$2,000,000 annual aggregate. The Town carries an umbrella policy which provides additional insurance coverage of \$10,000,000 per occurrence with a \$20,000,000 annual aggregate. Although the eventual outcome of these claims cannot presently be determined, the Town is of the opinion that the ultimate settlement of the outstanding claims will not result in a material adverse effect on the Town's financial position.

The Town is insured for worker's compensation insurance and disability insurance.

There have been no significant reductions in insurance coverage as compared to the prior year, and there were no settlements in excess of insurance coverage over the last three years.

The Town estimates general liability reserves by consulting with legal counsel and past experience with similar claims. The Town has not purchased any annuity contracts with regard to its general liability claims. The following schedule presents the changes in claims liabilities for the past two years and includes an estimate of claims that have been incurred but not yet reported.

	2019	2018
Unpaid claims and claim adjustment expenditures at the beginning of the year	\$ 2,835,787	\$ 2,680,000
Incurred claims and claim adjustment expenditures:		
Provision (adjustment) for insured events of the current year and increases in provision for insured events of prior years	-	245,787
Total incurred claims and claim adjustment expenditures	2,835,787	2,925,787
Payments:		
Claims and claim adjustment expenditures attributable to insured events of the current and prior years	585,787	90,000
Total payments	585,787	90,000
Unpaid claims and claim adjustment expenditures at the end of the year	\$ 2,250,000	\$ 2,835,787

B. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities. Encumbrances as of December 31, 2019 are as follows:

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

General Fund:	
General governmental support	\$ 72,361
Public safety	6,181
Economic assistance and opportunity	1,341
Culture and recreation	<u>1,334</u>
 Total General Fund	 <u>81,217</u>
 Police District Fund:	
Public safety	<u>491,087</u>
 Town Outside Village Fund:	
Public safety	<u>6,567</u>
 Non-major funds:	
Home and community services	<u>73,441</u>
 Total encumbrances	 <u><u>\$ 652,312</u></u>

C. Litigation

In common with other towns, the Town from time-to-time receives notices of claim and is party to litigation. In the opinion of the Town Attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the Town has not asserted a substantial and adequate defense, nor which, if determined against the Town, would have an adverse material effect on the financial condition of the Town, in view of the Town's ability to fund the same through use of appropriate funding mechanisms provided by the Local Finance Law.

D. Landfill closure and post-closure care costs

New York State and federal laws and regulations require the Town to place a final cover on landfill sites and to perform certain maintenance and monitoring activities at landfill sites for at least thirty years after closure. The North Sea Landfill site stopped receiving waste in 1995. Accordingly, as of December 31, 2019, the Town has recorded a liability of \$3,831,451 in the government-wide financial statements which represents the provision to be made in future budgets for unfunded closure and post-closure landfill costs. Actual costs may be higher or lower due to inflation, changes in technology or changes in regulations. These amounts are based on what it would cost to perform all closure and post-closure care as of December 31, 2019.

E. Government grants

The Town has received grants, which are subject to audit by agencies of the New York State government and federal government. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the Town's administration believes disallowances, if any, would be immaterial.

F. Property tax cap

In June 2011, the New York State Legislature enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions. For fiscal years through June 15, 2020, the growth factor in the property tax levy (the total amount to be raised through property taxes charged on a municipality's taxable assessed value of property) will be capped at 2 percent or the rate of inflation factor (but never less than a 1.00 factor), whichever is less, with some exceptions. Local governments can exceed the tax levy limit by a 60% vote of the governing body, or by local law.

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

G. Lease commitments and leased assets

Operating leases

The Town is also committed under various other operating leases that expire on various dates through December 31, 2023. Total rental expenditures on these leases for the year ended December 31, 2019 were approximately \$570,000.

Future minimum operating lease commitments are as follows:

<u>Year ended December 31,</u>		
2020	\$	20,005
2021		20,005
2022		19,306
2023		6,181
		65,497
	\$	65,497

H. Service concession arrangements

Poxabogue Golf Course

In accordance with GASB, the Town is required to recognize a liability for certain obligations to sacrifice financial resources (i.e. capital improvements) under the terms of a service concession arrangement or, a deferred inflow for up-front or installment payments received from the operator in advance of the revenue being earned. In March 2016, the Town entered into a license agreement with Pin High Golf Management, LLC for the operation of the golf course. The agreement provides the Town with a share of the revenue based upon a sliding scale. The agreement expires on February 29, 2024, and has an option to renew for two additional three year periods. Management of the Town determined that the agreement does not require any additional recognition of a deferred outflow or inflow of resources in the financial statements.

15. TWO PERCENT (2%) TRANSFER TAX

In November 1998, the voters of the Town of Southampton approved a referendum for a 2% Transfer Tax, which became effective on April 1, 1999. The transfer tax receipts are recorded in the Community Preservation Fund, and are used for the purchase and/or preservation of agricultural land, open space, parks or historic preservation sites. The tax generally applies to sales of vacant land worth \$100,000 or more or sales of improved land worth \$250,000 or more. Conveyance of real property for open space, parks or historic preservation purposes are exempt from this tax.

For the year ended December 31, 2019, and for the four previous years, the Town has the following 2% transfer tax revenue and expenses associated with environmental or historic preservation purposes:

<u>Year ended December 31,</u>	<u>Revenues</u>	<u>Expenditures</u>
2019	\$ 43,247,803	\$ 70,943,447
2018	53,939,669	35,861,109
2017	56,540,098	57,723,535
2016	55,083,465	74,474,307
2015	60,660,717	42,431,091

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

16. TAX ABATEMENTS

The Town negotiates property tax abatement agreements on an individual basis. The Town has the following abatement agreement as of December 31, 2019:

Purpose	Percentage of Taxes Abated During the Fiscal Year	Taxes Abated During the Fiscal Year
Gabreski Rechler Business District	84.8%	\$ 122,030

This agreement was negotiated under municipal law, allowing localities to abate property taxes for a variety of development purposes, including business relocation, retention and expansion. The abatements may be granted to any business located within or promising to relocate to a local government's geographic area. The law does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement.

The Town has not made any commitments as part of the agreements other than to reduce taxes. The Town is not subject to any tax abatement agreements entered into by other governmental entities. The Town has chosen to disclose information about its tax abatement agreements by purpose. It established a quantitative threshold of 10 percent of the total dollar amount of taxes abated during the year.

17. CONDENSED FINANCIAL STATEMENTS FOR THE DISCRETELY PRESENTED COMPONENT UNITS

The following represents condensed financial statements for the discretely presented component units, as of and for the year ended December 31, 2019:

Condensed Statement of Net Position:

	Assets		Liabilities and Net Position		
	Current Assets	Non-Current Assets	Current Liabilities	Long-Term Liabilities	Net Position
Town of Southampton Housing Authority	\$ 446,853	\$ 3,763,380	\$ 628,825	\$ 2,952,772	\$ 628,636
Trustees of the Freeholders	\$ 1,176,502	\$ -	\$ 96,379	\$ -	\$ 1,080,123

Condensed Statement of Activities:

	Program					
	Expenses	Revenue	Net Revenues	Other	Change	Net Position
Town of Southampton Housing Authority	\$ 944,365	\$ 1,284,563	\$ 340,198	\$ 63	\$ 340,261	\$ 628,636
Trustees of the Freeholders	\$ 702,431	\$ 697,372	\$ (5,059)	\$ 14,153	\$ 9,094	\$ 1,080,123

TOWN OF SOUTHAMPTON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

18. FUTURE ACCOUNTING STANDARDS

The Town will evaluate the impact each of these upcoming pronouncements may have on its financial statements and will implement them as applicable and when material. The following is a list of GASB pronouncements issued but not yet effective:

<u>GASB Statement No.</u>	<u>GASB Accounting Standard</u>	<u>Effective Fiscal Year</u>
Statement No. 83	Certain Asset Retirement Obligations	December 31, 2020
Statement No. 84	Fiduciary Activities	December 31, 2020
Statement No. 87	Leases	December 31, 2022
Statement No. 88	Certain Disclosures Related To Debt, Including Direct Borrowings And Direct Placements	December 31, 2020
Statement No. 89	Accounting For Interest Cost Incurred Before The End Of A Construction Period	December 31, 2021
Statement No. 90	Majority Equity Interests	December 31, 2020

The Town has studied these upcoming pronouncements and is not anticipating any material impact to the financial statements as presented.

19. SUBSEQUENT EVENTS

The Town has evaluated subsequent events occurring after the Statement of Net Position through the date of June 1, 2020, which is the date the financial statements were available to be issued, noting the following:

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. The extent of the impact of COVID-19 on the Town's operational and financial performance, and cash flow needs will depend on certain developments, including the duration and spread of the outbreak, impact on revenues, employees and vendors, all of which are uncertain and cannot be predicted as of the date of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual -
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual -
Police District Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual -
Town Outside Village Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual -
Highway Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual -
Public Safety Communications Fund

Schedule of Changes in the Town's Total Pension Liability - Service Award Program

Schedule of Changes in the Town's Total OPEB Liability and Related Ratios

Schedule of Town's Proportionate Share of the Net Pension Liability - NYSERS and NYSPFRS

Schedule of Town Pension Contributions - NYSERS and NYSPFRS

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGET AND ACTUAL SCHEDULES

The budgets are adopted on a basis of accounting consistent with GAAP, except that appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior years. In the event that actual revenues received exceed budgeted amounts, additional budgetary appropriations are made. The capital projects are budgeted on a project or grant basis.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
REVENUES					
Real property taxes	\$ 25,745,385	\$ 25,745,385	\$ 25,745,385		\$ -
Other real property tax items:					
Federal payments in lieu of taxes	25,000	25,000	22,342		(2,658)
Other payments in lieu of taxes	75,000	75,000	78,174		3,174
Interest and penalties - real property taxes	150,000	150,000	201,243		51,243
Total other real property tax items	250,000	250,000	301,759		51,759
Non-property tax items:					
Franchise fees	1,945,000	1,945,000	1,866,166		(78,834)
Total non-property tax items	1,945,000	1,945,000	1,866,166		(78,834)
Special assessments	88,194	88,194	88,194		-
Departmental income:					
Town Clerk fees	150,000	150,000	188,626		38,626
Alarm billing	125,000	125,000	152,385		27,385
Departmental income	25,000	25,000	33,520		8,520
Inspection contracts	1,000	1,000	2,862		1,862
Engineering fees	145,000	145,000	124,750		(20,250)
Shinnecock commercial dock rental	38,000	38,000	52,355		14,355
Program fees	426,530	426,530	451,964		25,434
Total departmental income	910,530	910,530	1,006,462		95,932
Intergovernmental charges:					
Intergovernmental revenue	282,355	282,355	287,002		4,647
Revenue from other governments	53,150	53,150	116,022		62,872
Total intergovernmental charges	335,505	335,505	403,024		67,519
Use of money and property:					
Interest and earnings	401,898	401,898	580,538		178,640
Total use of money and property	401,898	401,898	580,538		178,640
Licenses and permits:					
Dog licenses	9,000	9,000	11,827		2,827
Public safety permits	250,000	250,000	263,115		13,115
Taxi permits	85,000	85,000	30,020		(54,980)
Animal control permit fees	1,000	1,000	900		(100)
LT parking permits	13,000	13,000	15,903		2,903
Total licenses and permits	358,000	358,000	321,765		(36,235)
Fines and forfeitures:					
Justice court fines and fees	1,661,403	1,661,403	1,154,924		(506,479)
Total fines and forfeitures	1,661,403	1,661,403	1,154,924		(506,479)

REQUIRED
SUPPLEMENTARY
INFORMATION

TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
Miscellaneous local sources:					
Program fees	\$ 60,000	\$ 66,000	\$ 69,388		\$ 3,388
Insurance recoveries	15,000	15,000	11,088		(3,912)
Refunds of prior years	144,000	144,000	30,513		(113,487)
Donations - adult transportation	25,000	25,000	14,518		(10,482)
Donations - nutrition program	120,000	120,000	112,111		(7,889)
Donations - residential repair	4,500	4,500	3,429		(1,071)
Donations - senior day care	90,000	90,000	72,078		(17,922)
Miscellaneous	306,431	307,891	237,982		(69,909)
Professional services - G.I.S.	120,000	120,000	129,325		9,325
Total miscellaneous local sources	884,931	892,391	680,432		(211,959)
State aid:					
State aid - revenue sharing	190,000	190,000	184,491		(5,509)
State aid - mortgage tax	8,600,000	8,600,000	7,579,993		(1,020,007)
State aid - nutrition program	495,000	495,000	599,610		104,610
EISEP grant	15,500	15,500	10,140		(5,360)
State aid - residential repair	19,283	19,283	19,283		-
County aid	154,832	154,832	156,470		1,638
State aid - traffic control	500,000	495,000	361,620		(133,380)
State aid - adult day care	-	-	1,575		1,575
State aid - youth programs	6,000	6,000	4,500		(1,500)
State aid - human services youth	-	-	16,127		16,127
State aid - parks conservation	-	-	1,999		1,999
State aid - emergency disaster	-	-	35,948		35,948
Total state aid	9,980,615	9,975,615	8,971,756		(1,003,859)
Federal aid:					
Federal aid - nutrition program	495,000	495,000	374,365		(120,635)
Federal aid - adult day care	10,000	10,000	4,725		(5,275)
Pump-out boats - clean vessel grant	30,000	30,000	35,000		5,000
Federal grants - FEMA	-	-	9,514		9,514
Total federal aid	535,000	535,000	423,604		(111,396)
Total revenues	43,096,461	43,098,921	41,544,009		(1,554,912)

EXPENDITURES

General governmental support:					
Salaries	9,260,118	9,252,790	8,978,613	\$ -	274,177
Overtime	26,410	26,410	14,137	-	12,273
Severance pay	17,519	72,753	72,753	-	-
Accumulated sick/personal days	20,453	20,299	13,772	-	6,527
Part time salaries	315,805	315,802	235,571	-	80,231
Longevity	354,215	354,079	332,304	-	21,775
Other pay	6,500	6,500	6,500	-	-
Cash in lieu of health benefits	113,226	115,908	108,764	-	7,144
Human resources - wellness reimbursement	800	800	25	-	775
Equipment	80,000	80,000	31,896	-	48,104
Vehicles	221,053	221,053	135,708	68,875	16,470
Software	5,800	5,800	1,617	-	4,183
Contracts	1,756,153	1,755,804	1,534,925	-	220,879
Gasoline	26,300	26,112	17,487	-	8,625
Electric	273,901	275,701	262,805	-	12,896
Fuel oil	159,901	159,827	104,875	-	54,952
Repairs	221,150	210,940	114,348	-	96,592
Copier supplies	17,000	17,000	10,360	-	6,640
Postage	118,350	116,350	111,588	-	4,762

REQUIRED
SUPPLEMENTARY
INFORMATION

TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
General governmental support, cont'd:					
Printing, publications and stationery	\$ 43,425	\$ 40,425	\$ 28,336	\$ -	\$ 12,089
Publications	79,316	77,816	68,990	-	8,826
Rentals	425,000	425,000	401,025	-	23,975
Telephone	58,000	58,300	41,163	-	17,137
Travel, dues and related	33,084	30,782	20,929	-	9,853
Uniforms	1,950	1,950	-	-	1,950
Other	114,820	18,053	11,838	827	5,388
Legal notices	16,000	16,210	12,617	-	3,593
Small equipment (non-capital)	57,140	62,698	53,477	1,000	8,221
Taxes - town property	30,000	24,030	15,950	-	8,080
Office supplies	24,085	28,876	18,390	-	10,486
Supplies - other	61,530	61,479	49,393	-	12,086
Drug court expense	30,000	32,500	30,047	-	2,453
Legal fees	634,000	637,299	515,896	-	121,403
Interpreters	90,000	87,500	79,450	-	8,050
Stenographer	108,000	105,600	90,312	-	15,288
Computer supplies	35,000	37,500	36,120	-	1,380
Diesel fuel	300	488	488	-	-
Mileage reimbursement	2,050	2,050	634	-	1,416
Schools and training	21,960	17,450	11,447	-	6,003
Document restoration	4,500	4,500	4,500	-	-
Background investigations	500	500	-	-	500
Municipal dues	2,600	2,340	1,950	-	390
Telephone - wireless	9,640	9,640	6,574	-	3,066
Advertising	1,500	1,252	535	-	717
Other - landfill charges	4,625	4,625	3,614	-	1,011
Copier leases	36,325	36,825	19,921	-	16,904
Cleaning allowance	6,000	5,120	1,947	-	3,173
Consultants	241,170	215,769	151,848	1,659	62,262
Tires	50,500	64,143	63,792	-	351
Lube oil	20,500	19,357	18,896	-	461
Judgments and claims	1,229,500	1,229,500	1,120,027	-	109,473
Insurance - unallocated	166,518	166,518	87,535	-	78,983
Total general governmental support	16,634,192	16,560,023	15,055,689	72,361	1,431,973
Public safety:					
Salaries	1,918,070	1,902,325	1,863,114	-	39,211
Overtime	173,500	173,500	159,812	-	13,688
Accumulated sick/personal days	22,209	21,709	20,902	-	807
Part time salaries	171,998	174,418	124,167	-	50,251
Longevity	106,876	103,249	103,088	-	161
Cash in lieu of health benefits	12,004	17,117	15,731	-	1,386
Clothing cleaning	5,100	5,100	4,450	-	650
Equipment	30,000	30,000	16,329	-	13,671
Contracts	1,013,775	1,017,604	813,199	2,775	201,630
Gasoline	56,500	54,500	45,765	-	8,735
Electric	115,000	106,171	95,301	-	10,870
Fuel oil	45,000	37,000	19,668	-	17,332
Repair equipment	44,300	44,212	24,468	-	19,744
Repair building	20,271	19,771	13,567	-	6,204
Postage	150	150	150	-	-
Printing, publications and stationery	5,250	5,899	3,175	-	2,724
Rentals	2,000	2,000	-	-	2,000
Travel, dues and related	2,400	2,400	834	-	1,566
Uniforms	12,870	12,920	7,757	-	5,163
Other	21,000	21,140	5,873	-	15,267
Bay constables - small equipment	19,778	24,318	16,056	-	8,262

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
Public safety, cont'd:					
Office supplies	\$ 2,500	\$ 3,676	\$ 2,436	\$ -	\$ 1,240
Supplies - other	500	5,900	445	3,194	2,261
Safety equipment	13,000	13,000	10,964	212	1,824
Signs	1,000	1,000	36	-	964
Diesel fuel	-	61	60	-	1
Food	5,650	5,650	3,789	-	1,861
Schools and training	3,800	3,472	945	-	2,527
Telephone - wireless	7,000	6,460	5,745	-	715
Copier leases	250	250	111	-	139
Marine charges	25,000	25,000	11,935	-	13,065
Veterinarian fees	1,500	1,500	964	-	536
Uniform cleaning	1,800	1,800	-	-	1,800
Consultants	6,500	6,500	395	-	6,105
Total public safety	3,866,551	3,849,772	3,391,231	6,181	452,360
Transportation:					
Salaries	769,197	769,208	769,207	-	1
Overtime	2,200	1,498	-	-	1,498
Accumulated sick/personal days	2,086	2,087	2,086	-	1
Part time salaries	83,000	83,702	82,246	-	1,456
Longevity	28,915	29,631	29,631	-	-
Cash in lieu of health benefits	20,300	20,288	19,875	-	413
Gasoline	42,000	39,020	39,015	-	5
Repair vehicle	40,000	50,000	49,645	-	355
Uniforms	2,000	-	-	-	-
Other	5,000	5,000	17,457	-	(12,457)
Diesel fuel	2,000	2,000	698	-	1,302
Schools and training	2,126	2,126	1,040	-	1,086
Wireless telephone	3,500	3,500	2,398	-	1,102
Copier leases	1,085	1,085	59	-	1,026
Total transportation	1,003,409	1,009,145	1,013,357	-	(4,212)
Economic assistance and opportunity:					
Salaries	1,761,255	1,761,255	1,753,308	-	7,947
Accumulated sick/personal days	9,614	9,614	8,802	-	812
Part time salaries	282,756	284,925	218,840	-	66,085
Longevity	79,786	79,237	74,264	-	4,973
Cash in lieu of health benefits	29,198	34,686	33,959	-	727
Contracts	406,201	411,401	367,556	-	43,845
Gasoline	300	465	462	-	3
Electric	5,000	5,000	3,466	-	1,534
Fuel oil	1,700	1,700	1,152	-	548
Repair equipment	13,000	8,000	4,680	-	3,320
Repair building	443	443	432	-	11
Postage	4,200	4,099	3,914	-	185
Printing and stationery	250	250	29	-	221
Publications	250	200	131	-	69
Travel, dues and related	3,400	3,385	1,498	-	1,887
Uniforms	2,000	2,184	2,181	-	3
Other	240,600	237,600	170,295	-	67,305
Office supplies	4,000	5,420	4,944	-	476
Supplies - other	55,000	63,063	58,073	-	4,990
Youth services - programs	30,000	23,850	22,897	-	953
Mileage reimbursement	10,700	8,301	6,453	-	1,848

REQUIRED
SUPPLEMENTARY
INFORMATION

TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
Economic assistance and opportunity, cont'd:					
Food	\$ 370,000	\$ 370,000	\$ 365,491	\$ -	\$ 4,509
Schools and training	1,099	852	153	-	699
Telephone - wireless	2,150	3,250	2,341	-	909
Advertising	500	250	50	-	200
Program expenses	70,100	91,680	74,610	1,341	15,729
Copier leases	5,230	12,439	9,384	-	3,055
Contingency	1,106	1,106	-	-	1,106
Total economic assistance and opportunity	3,389,838	3,424,655	3,189,365	1,341	233,949
Culture and recreation:					
Salaries	1,599,516	1,570,326	1,514,763	-	55,563
Overtime	50,000	47,490	34,173	-	13,317
Accumulated sick/personal days	5,406	5,406	3,416	-	1,990
Part time salaries	350,812	359,112	339,511	-	19,601
Longevity	60,007	61,454	59,979	-	1,475
Cash in lieu of health benefits	7,694	7,694	5,006	-	2,688
Equipment	74,000	43,095	40,122	-	2,973
Contracts	179,730	167,370	146,212	-	21,158
Gasoline	33,230	32,980	30,082	-	2,898
Electric	88,800	109,704	109,105	-	599
Fuel oil	32,000	23,215	13,564	-	9,651
Repair equipment	30,000	31,000	29,886	-	1,114
Repair building	85,000	103,239	95,359	1,334	6,546
Repair vehicle	20,000	25,600	25,534	-	66
Postage	7,100	6,500	5,235	-	1,265
Printing and stationery	10,200	10,000	8,964	-	1,036
Publications	50	50	-	-	50
Telephone	3,850	4,600	3,951	-	649
Travel, dues and related	1,100	750	437	-	313
Uniforms	8,278	6,800	6,439	-	361
Other	22,900	24,685	16,823	-	7,862
Small equipment (non-capital)	2,500	2,500	2,046	-	454
Office supplies	2,800	3,045	2,904	-	141
Supplies - other	30,630	24,030	23,533	-	497
Tree removal	38,000	48,000	47,950	-	50
Beach and dune monitoring	5,000	6,200	6,125	-	75
Diesel fuel	25,000	25,050	25,047	-	3
Salt	10,000	8,200	1,271	-	6,929
Schools and training	1,000	850	-	-	850
Telephone - wireless	1,970	2,520	2,458	-	62
Program expenses	175,000	175,000	135,615	-	39,385
Other - landfill charges	40,000	40,000	31,139	-	8,861
P and R chargeback - watering	5,200	5,200	2,995	-	2,205
Copier leases	2,950	2,950	1,924	-	1,026
Consultants	2,000	2,750	2,455	-	295
Total culture and recreation	3,011,723	2,987,365	2,774,023	1,334	212,008

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
Home and community services:					
Salaries	\$ 252,860	\$ 253,627	\$ 253,626	\$ -	\$ 1
Overtime	30,000	44,500	42,353	-	2,147
Accumulated sick/personal days	2,727	2,207	2,207	-	-
Part time salaries	87,720	81,220	65,090	-	16,130
Longevity	10,604	10,604	10,604	-	-
Cash in lieu of health benefits	5,792	5,792	5,791	-	1
Equipment	15,000	15,000	15,000	-	-
Contracts	153,300	145,050	136,769	-	8,281
Gasoline	12,000	16,550	14,613	-	1,937
Electric	2,500	2,500	2,012	-	488
Fuel oil	4,000	1,000	-	-	1,000
Repair equipment	45,000	56,900	56,599	-	301
Repair building	15,500	7,200	6,927	-	273
Printing and stationery	5,000	5,000	190	-	4,810
Rentals	2,500	2,600	2,600	-	-
Uniforms	500	500	-	-	500
Other	5,000	5,000	4,170	-	830
Legal notices	4,200	4,200	4,076	-	124
Small equipment (non-capital)	9,000	8,000	6,700	-	1,300
Office supplies	500	500	354	-	146
Supplies - other	1,000	1,000	636	-	364
Diesel fuel	45,000	37,500	22,249	-	15,251
Municipal dues	15,800	31,500	31,411	-	89
Telephone - wireless	3,500	3,500	1,711	-	1,789
Copier leases	1,800	1,800	216	-	1,584
Marine charges	2,500	300	-	-	300
Consultants	40,000	40,000	38,265	-	1,735
Tires	-	6,000	5,875	-	125
Total home and community services	773,303	789,550	730,044	-	59,506
Employee benefits:					
Employee retirement - active	2,192,681	2,193,326	2,169,064	-	24,262
FICA tax	1,402,971	1,406,100	1,292,119	-	113,981
MTA tax	63,516	64,373	57,688	-	6,685
Worker's compensation	620,932	616,162	566,727	-	49,435
Medical insurance - active	4,871,563	4,793,105	4,159,362	-	633,743
Health insurance - retirees	1,550,000	1,514,906	1,450,579	-	64,327
Medicare part B - retirees	187,000	222,094	222,093	-	1
Dental and optical	317,194	317,116	298,961	-	18,155
NYS unemployment insurance	55,000	55,000	52,296	-	2,704
Disability	7,041	6,777	688	-	6,089
Total employee benefits	11,267,898	11,188,959	10,269,577	-	919,382
Debt service:					
Principal	3,570,133	3,570,133	3,570,133	-	-
Interest	720,264	720,264	677,093	-	43,171
Total debt service	4,290,397	4,290,397	4,247,226	-	43,171
Total expenditures	44,237,311	44,099,866	40,670,512	\$ 81,217	3,348,137
Excess (deficiency) of revenues over (under) expenditures	(1,140,850)	(1,000,945)	873,497		1,793,225

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
OTHER FINANCING SOURCES (USES)					
Payment to refunded bond escrow agent	\$ -	\$ -	\$ (12,109,000)		\$ (12,109,000)
Refunding bond issuance	-	-	11,186,320		11,186,320
Premium on obligations	-	-	1,039,184		1,039,184
Interfund transfer in	426,301	601,297	676,888		75,591
Interfund transfer out	(906,305)	(1,121,210)	(1,121,210)		-
Appropriated fund balance	1,620,854	1,520,858	-		(1,520,858)
Total other financing sources (uses)	1,140,850	1,000,945	(327,818)		(1,328,763)
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	545,679		<u>\$ 464,462</u>
Fund balance, beginning of year			23,164,320		
Fund balance, end of year			<u>\$ 23,709,999</u>		

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - POLICE DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
REVENUES					
Real property taxes	\$ 23,986,927	\$ 23,986,927	\$ 23,986,927		\$ -
Other real property tax items:					
Other payments in lieu of taxes	89,000	89,000	91,375		2,375
Interest and penalties - real property taxes	60,000	60,000	73,181		13,181
Total other real property tax items	149,000	149,000	164,556		15,556
Departmental income:					
Departmental income	2,500	2,500	2,118		(382)
Towing fees	130,000	130,000	112,189		(17,811)
Alarm billing	325,000	325,000	319,750		(5,250)
Total departmental income	457,500	457,500	434,057		(23,443)
Use of money and property:					
Interest and earnings	200,000	203,543	288,651		85,108
Total use of money and property	200,000	203,543	288,651		85,108
Licenses and permits:					
Special event permits	100,000	100,000	144,054		44,054
Total licenses and permits	100,000	100,000	144,054		44,054
Miscellaneous local sources:					
Miscellaneous tax receipts	200,000	200,000	67,431		(132,569)
Miscellaneous	71,000	91,000	133,720		42,720
Total miscellaneous local sources	271,000	291,000	201,151		(89,849)
State aid:					
State aid - sales tax	2,828,561	2,828,561	2,828,561		-
State aid - public safety	75,460	75,460	4,500		(70,960)
Total state aid	2,904,021	2,904,021	2,833,061		(70,960)
Federal aid:					
Stop DWI	55,000	75,000	121,000		46,000
NYS speed enforcement	8,000	8,000	12,650		4,650
Bullet proof vest program	12,000	12,000	9,626		(2,374)
Federal aid, other public safety	-	62,018	75,090		13,072
Total federal aid	75,000	157,018	218,366		61,348
Total revenues	28,143,448	28,249,009	28,270,823		21,814

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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - POLICE DISTRICT FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

EXPENDITURES	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
Public safety:					
Salaries	\$ 12,439,347	\$ 12,290,488	\$ 12,278,100	\$ -	\$ 12,388
Overtime	1,012,638	1,160,638	1,147,442	-	13,196
Severance pay	344,058	525,707	525,707	-	-
Accumulated sick/personal days	48,866	48,646	48,587	-	59
Holiday	663,000	554,450	554,449	-	1
Part time salaries	497,752	587,252	568,646	-	18,606
Pay differential special units	32,873	12,873	12,856	-	17
Shift differential	414,484	400,484	400,062	-	422
Longevity	431,829	427,229	427,167	-	62
Training	92,539	81,549	81,546	-	3
Instructor - shift differential	9,500	11,500	11,500	-	-
Other pay	33,250	46,000	46,000	-	-
Cash in lieu of health benefits	12,004	9,256	9,246	-	10
Clothing cleaning	1,200	1,420	1,413	-	7
Clothing allowance	111,600	90,600	86,111	-	4,489
Equipment	69,000	177,721	90,833	86,888	-
Vehicles	400,000	448,297	51,141	390,004	7,152
Emergency services team gear	15,000	15,000	14,781	-	219
Contracts	204,831	108,731	30,812	-	77,919
Gasoline	150,000	163,800	163,754	-	46
Electric	70,000	62,000	48,813	-	13,187
Fuel oil	33,000	28,000	20,016	-	7,984
Repair equipment	7,500	7,500	4,277	-	3,223
Repair building	25,500	25,500	15,880	1,602	8,018
Repair vehicle	36,542	36,542	34,328	-	2,214
Postage	4,850	4,850	3,965	-	885
Printing and stationery	10,500	8,500	2,660	-	5,840
Publications	5,151	4,151	2,450	-	1,701
Telephone	8,500	8,068	7,954	-	114
Travel, dues and related	6,000	9,600	9,585	-	15
Photography	4,000	3,000	2,545	-	455
Uniforms	50,000	57,000	55,780	-	1,220
Other	20,000	23,150	19,244	-	3,906
Small equipment	37,680	37,530	34,867	1,620	1,043
Office supplies	10,000	13,000	12,915	-	85
Supplies - other	8,000	8,050	8,000	-	50
Towing	100,000	67,828	51,670	-	16,158
Ammunition	30,000	30,000	15,075	10,973	3,952
Flares and medical supplies	15,000	15,000	12,654	-	2,346
Safety equipment	44,022	37,022	30,517	-	6,505
Computer supplies	16,000	16,000	14,605	-	1,395
Diesel fuel	2,000	1,600	597	-	1,003
Food	2,000	2,000	1,984	-	16
Schools and training	10,000	13,900	12,563	-	1,337
Telephone - wireless	12,000	13,450	13,431	-	19
Landfill charges	-	432	431	-	1
Copier leases	3,500	3,500	385	-	3,115
Uniform cleaning	18,000	15,000	9,661	-	5,339
Total public safety	17,573,516	17,713,814	16,997,005	491,087	225,722

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - POLICE DISTRICT FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
Employee benefits:					
Employee retirement - active	\$ 3,330,939	\$ 3,512,761	\$ 3,512,030	\$ -	\$ 731
FICA tax	949,205	1,048,635	1,035,973	-	12,662
MTA tax	56,466	56,466	52,739	-	3,727
Worker's compensation	615,346	564,846	563,803	-	1,043
Life insurance	12,190	12,190	12,002	-	188
Medical insurance - active	2,649,870	2,507,668	2,467,628	-	40,040
Health insurance - retirees	2,400,000	2,354,369	2,279,970	-	74,399
Medicare part B - retirees	145,000	190,631	190,631	-	-
Dental and optical	171,854	144,674	142,727	-	1,947
Dental and optical - retirees	185,000	185,000	177,486	-	7,514
NYS unemployment insurance	8,000	11,543	11,543	-	-
Disability	2,710	1,060	594	-	466
Total employee benefits	10,526,580	10,589,843	10,447,126	-	142,717
Debt service:					
Principal	283,940	283,940	283,940	-	-
Interest	34,976	34,976	34,163	-	813
Total debt service	318,916	318,916	318,103	-	813
Total expenditures	28,419,012	28,622,573	27,762,234	\$ 491,087	369,252
Excess (deficiency) of revenues over (under) expenditures	(275,564)	(373,564)	508,589		391,066
OTHER FINANCING SOURCES					
Premium on obligations	-	-	1,079		1,079
Interfund transfer in	-	98,000	98,000		-
Interfund transfer out	-	(60,000)	(60,000)		-
Appropriated fund balance	275,564	335,564	-		(335,564)
Total other financing sources	275,564	373,564	39,079		(334,485)
Change in fund balance	\$ -	\$ -	547,668		\$ 56,581
Fund balance, beginning of year			2,201,792		
Fund balance, end of year			\$ 2,749,460		

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TOWN OUTSIDE VILLAGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
REVENUES					
Real property taxes	\$ 1,343,247	\$ 1,343,247	\$ 1,343,247		\$ -
Other real property tax items:					
Other payments in lieu of taxes	5,000	5,000	5,730		730
Interest and penalties - real property taxes	5,000	5,000	6,098		1,098
Total other real property tax items	10,000	10,000	11,828		1,828
Departmental income:					
Rental permits	200,000	200,000	258,200		58,200
Electrical inspections	526,000	526,000	543,909		17,909
Administrative fees	25,000	25,000	-		(25,000)
Zoning fees	95,000	120,000	142,875		22,875
Wetland fees	325,000	328,695	376,450		47,755
Old filed maps	2,000	2,000	10,730		8,730
Planning zoning amendments	2,500	2,500	-		(2,500)
Other PB scheduling fees	76,000	76,000	76,500		500
Land Management planning division - site plan - fees	135,000	135,000	194,193		59,193
Special exceptions planning fee	7,000	7,000	14,300		7,300
Photocopy fees	12,000	12,000	17,575		5,575
Sub division planning fees	132,000	132,000	110,565		(21,435)
Total departmental income	1,537,500	1,566,195	1,745,297		179,102
Use of money and property:					
Interest and earnings	60,000	60,000	64,329		4,329
Total use of money and property	60,000	60,000	64,329		4,329
Licenses and permits:					
Licensing	225,000	225,000	196,675		(28,325)
Building permit fee	3,400,000	3,400,000	2,884,853		(515,147)
Total licenses and permits	3,625,000	3,625,000	3,081,528		(543,472)
Miscellaneous local sources:					
Refunds of prior years	950	950	975		25
Miscellaneous revenue	-	-	2,389		2,389
Total miscellaneous local sources	950	950	3,364		2,414
Federal aid:					
Land management	-	-	160		160
Total federal aid	-	-	160		160
Total revenues	6,576,697	6,605,392	6,249,753		(355,639)
EXPENDITURES					
Public safety:					
Salaries	561,959	561,959	534,540	\$ -	27,419
Overtime	20,500	60,500	44,343	-	16,157
Part time salaries	25,500	25,500	13,495	-	12,005
Longevity	20,764	17,914	17,913	-	1
Cash in lieu of health benefits	14,962	15,377	15,376	-	1
Clothing cleaning	2,400	2,400	2,050	-	350
Gasoline	13,500	13,116	13,001	-	115

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TOWN OUTSIDE VILLAGE FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
Public safety, cont'd:					
Repair equipment	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Printing and stationery	1,500	-	-	-	-
Publication	2,400	2,360	2,352	-	8
Uniforms	3,500	9,207	2,640	6,567	-
Other	1,800	2,645	2,172	-	473
Small equipment (non-capital)	1,000	1,310	1,309	-	1
Office supplies	2,500	2,500	2,495	-	5
Schools and training	3,500	5,772	5,770	-	2
Telephone - wireless	3,500	4,690	4,326	-	364
Copier lease	2,000	1,800	1,742	-	58
Total public safety	682,285	727,050	663,524	6,567	56,959
Home and community services:					
Salaries	3,376,305	3,300,115	3,167,213	-	132,902
Overtime	35,000	70,000	62,731	-	7,269
Severance pay	6,622	25,155	25,154	-	1
Accumulated sick/personal days	11,884	7,344	7,293	-	51
Part time salaries	42,100	42,100	27,630	-	14,470
Longevity	134,196	135,437	126,570	-	8,867
Cash in lieu of health benefits	34,811	34,811	25,624	-	9,187
Equipment	20,000	31,000	30,061	-	939
Vehicles	50,000	50,000	45,946	-	4,054
Contracts	225,110	226,795	219,789	-	7,006
Gasoline	9,825	11,905	11,899	-	6
Copier supplies	350	500	457	-	43
Printing and stationery	13,600	9,465	8,406	-	1,059
Publications	1,700	1,500	1,381	-	119
Travel, dues and related	3,850	3,950	3,858	-	92
Uniforms	700	-	-	-	-
Other	13,150	15,565	13,108	-	2,457
Legal notices	10,900	11,760	11,463	-	297
Small equipment (non-capital)	400	88	-	-	88
Office supplies	9,000	8,935	6,822	-	2,113
Supplies - other	2,650	2,440	777	-	1,663
Safety equipment	2,375	2,375	2,370	-	5
Mileage reimbursement	300	530	527	-	3
Schools and training	5,200	4,750	2,478	-	2,272
Telephone - wireless	9,900	8,452	6,773	-	1,679
Landfill charges	335,000	443,852	443,851	-	1
Copier leases	8,918	8,918	5,254	-	3,664
Total home and community services	4,363,846	4,457,742	4,257,435	-	200,307

**REQUIRED
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**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TOWN OUTSIDE VILLAGE FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts				
	Original Budget	Revised Budget	Actual	Year-end Encumbrances	Variance
Employee benefits:					
Employee retirement - active	\$ 549,977	\$ 549,807	\$ 544,109	\$ -	\$ 5,698
FICA tax	324,947	329,498	301,709	-	27,789
MTA tax	14,882	14,916	13,452	-	1,464
Worker's compensation	130,837	130,253	119,437	-	10,816
Medical insurance - active	1,019,896	904,545	861,507	-	43,038
Health insurance - retirees	230,000	225,013	198,354	-	26,659
Medicare part B - retirees	25,000	29,987	29,986	-	1
Dental and optical	72,994	74,699	64,320	-	10,379
NYS unemployment insurance	8,000	8,000	5,175	-	2,825
Disability	1,684	1,533	252	-	1,281
Total employee benefits	2,378,217	2,268,251	2,138,301	-	129,950
Debt service:					
Principal	39,118	39,118	39,118	-	-
Interest	3,641	3,641	3,363	-	278
Total debt service	42,759	42,759	42,481	-	278
Total expenditures	7,467,107	7,495,802	7,101,741	\$ 6,567	387,494
Excess (deficiency) of revenues over (under) expenditures	(890,410)	(890,410)	(851,988)		31,855
OTHER FINANCING SOURCES (USES)					
Premium on obligations	-	-	330		330
Interfund transfer in	-	-	25,000		25,000
Interfund transfer out	(50,000)	(50,000)	(50,000)		-
Appropriated fund balance	940,410	940,410	-		(940,410)
Total other financing sources (uses)	890,410	890,410	(24,670)		(915,080)
Change in fund balance	\$ -	\$ -	(876,658)		\$ (883,225)
Fund balance, beginning of year			3,087,595		
Fund balance, end of year			\$ 2,210,937		

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
REVENUES					
Real property taxes	\$ 13,017,085	\$ 13,017,085	\$ 13,017,085		\$ -
Other real property tax items:					
Other payments in lieu of taxes	60,000	60,000	55,772		(4,228)
Interest and penalties - real property taxes	30,000	30,000	36,591		6,591
Total other real property tax items	90,000	90,000	92,363		2,363
Departmental income:					
Engineering fees	20,000	20,000	33,600		13,600
Total departmental income	20,000	20,000	33,600		13,600
Intergovernmental charges:					
Intergovernmental revenue	709,351	709,351	709,351		-
Revenue from other governments	6,500	6,500	25,252		18,752
Total intergovernmental charges	715,851	715,851	734,603		18,752
Use of money and property:					
Interest and earnings	120,000	120,000	185,033		65,033
Total use of money and property	120,000	120,000	185,033		65,033
Licenses and permits:					
Licenses and permits	2,500	2,500	-		(2,500)
Total licenses and permits	2,500	2,500	-		(2,500)
Miscellaneous local sources:					
Insurance recoveries	-	-	280		280
Miscellaneous tax receipts	25,105	25,105	35,188		10,083
Miscellaneous	25,000	25,000	51,606		26,606
Total miscellaneous local sources	50,105	50,105	87,074		36,969
State aid:					
Consolidated highway aid	1,091,354	1,249,308	1,248,628		(680)
Total state aid	1,091,354	1,249,308	1,248,628		(680)
Total revenues	15,106,895	15,264,849	15,398,386		133,537
EXPENDITURES					
Transportation:					
Salaries	3,324,551	3,318,951	3,245,721	\$ -	73,230
Overtime	366,600	379,600	197,339	-	182,261
Severance pay	47,100	47,100	47,100	-	-
Accumulated sick/personal days	9,298	9,298	3,710	-	5,588
Part time salaries	10,400	16,000	13,365	-	2,635
Longevity	174,630	174,630	156,572	-	18,058
Cash in lieu of health benefits	56,613	70,454	70,453	-	1
Equipment	225,105	225,105	225,105	-	-
Road improvements	192,437	350,391	350,355	-	36
Road reconstruction	898,917	898,917	898,917	-	-
Contracts - other	200,000	200,000	29,028	-	170,972

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HIGHWAY FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
Transportation, cont'd:					
Recharge Basin	\$ 50,000	\$ 50,000	\$ 31,007	\$ -	\$ 18,993
Gasoline	60,000	68,430	68,429	-	1
Electric	30,000	40,130	40,129	-	1
Fuel oil	60,000	60,000	42,106	-	17,894
Repair equipment	450,000	534,000	483,694	-	50,306
Repair building	51,500	51,500	40,120	-	11,380
Postage	5,300	5,300	1,174	-	4,126
Publications	3,300	3,300	2,603	-	697
Rentals	45,000	42,870	30,017	-	12,853
Telephone	7,700	11,200	10,260	-	940
Uniforms	750	-	-	-	-
Other	37,500	34,364	30,269	-	4,095
Legal notices	5,000	5,000	4,026	-	974
Small equipment (non-capital)	10,000	15,000	8,129	-	6,871
Office supplies	2,500	2,675	2,659	-	16
Supplies - other	72,465	81,215	73,381	-	7,834
Tree and stump removal	95,000	100,400	100,400	-	-
Safety equipment	25,000	25,000	19,489	-	5,511
Hardware	75,000	75,000	67,602	-	7,398
Diesel fuel	245,000	233,575	201,699	-	31,876
Mileage reimbursement	5,000	5,000	2,831	-	2,169
Sand	115,000	129,379	129,342	-	37
Salt	450,000	345,172	329,720	-	15,452
Chemicals	10,000	-	-	-	-
Road repairs	110,000	99,600	65,764	-	33,836
Schools and training	2,500	2,495	702	-	1,793
Telephone - wireless	4,700	4,700	3,140	-	1,560
Townwide line striping	200,000	200,000	194,960	-	5,040
Copier leases	3,800	3,800	369	-	3,431
Cleaning allowance	6,500	8,772	8,772	-	-
Tires	31,500	32,138	32,138	-	-
Lube oil	15,000	15,000	14,960	-	40
Total transportation	7,790,666	7,975,461	7,277,556	-	697,905
Employee benefits:					
Employee retirement - active	496,897	496,897	491,596	-	5,301
FICA tax	324,909	324,909	279,192	-	45,717
MTA tax	14,448	14,448	12,410	-	2,038
Worker's compensation	258,427	258,427	235,908	-	22,519
Medical insurance - active	1,159,152	1,145,311	1,003,511	-	141,800
Health insurance - retirees	800,000	794,970	786,933	-	8,037
Medicare part B - retirees	80,000	85,030	84,623	-	407
Dental and optical	78,588	78,588	75,815	-	2,773
NYS unemployment insurance	8,000	8,000	-	-	8,000
Disability	1,026	1,026	14	-	1,012
Total employee benefits	3,221,447	3,207,606	2,970,002	-	237,604

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HIGHWAY FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
Debt service:					
Principal	\$ 3,666,986	\$ 3,666,986	\$ 3,666,986	\$ -	\$ -
Interest	709,261	709,261	662,632	-	46,629
Total debt service	4,376,247	4,376,247	4,329,618	-	46,629
Total expenditures	15,388,360	15,559,314	14,577,176	\$ -	982,138
Excess (deficiency) of revenues over (under) expenditures	(281,465)	(294,465)	821,210		1,115,675
OTHER FINANCING SOURCES (USES)					
Premium on obligations	-	-	7,874		7,874
Interfund transfer in	-	13,000	13,507		507
Interfund transfer out	(274,000)	(274,000)	(274,000)		-
Appropriated fund balance	555,465	555,465	-		(555,465)
Total other financing sources (uses)	281,465	294,465	(252,619)		(547,084)
Change in fund balance	\$ -	\$ -	568,591		\$ 568,591
Fund balance, beginning of year			3,605,901		
Fund balance, end of year			\$ 4,174,492		

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PUBLIC SAFETY COMMUNICATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts			Year-end	
	Original	Revised	Actual	Encumbrances	Variance
	Budget	Budget			
REVENUES					
Real property taxes	\$ 2,660,912	\$ 2,660,912	\$ 2,660,912		\$ -
Other real property tax items:					
Other payments in lieu of taxes	9,000	9,000	9,316		316
Interest and penalties - real property taxes	5,000	5,000	6,098		1,098
Total other real property tax items	14,000	14,000	15,414		1,414
Departmental income:					
Rentals	130,000	130,000	155,587		25,587
Total departmental income	130,000	130,000	155,587		25,587
Use of money and property:					
Interest and earnings	25,000	25,000	46,632		21,632
Total use of money and property	25,000	25,000	46,632		21,632
Miscellaneous local sources:					
Miscellaneous	-	-	854		854
Total miscellaneous local sources	-	-	854		854
State aid:					
State aid - other public safety	100,000	100,000	158,698		58,698
Total state aid	100,000	100,000	158,698		58,698
Total revenues	2,929,912	2,929,912	3,038,097		108,185
EXPENDITURES					
Public safety:					
Salaries	1,450,188	1,443,214	1,443,211	\$ -	3
Overtime	60,485	46,075	32,481	-	13,594
Severance	-	21,384	21,384	-	-
Sick leave	948	948	947	-	1
Holiday	15,950	15,950	11,489	-	4,461
Pay differential - shift	58,146	58,146	50,875	-	7,271
Longevity	78,709	78,709	78,697	-	12
Cash in lieu of health benefits	18,006	18,006	17,372	-	634
Uniform cleaning allowance	6,600	6,600	6,450	-	150
Contracts	158,520	168,920	160,289	-	8,631
Electric	7,000	7,900	7,838	-	62
Repair equipment	4,502	4,502	393	-	4,109
Rentals	148,820	137,720	134,535	-	3,185
Telephone	3,845	3,645	1,237	-	2,408
Uniforms	10,000	10,000	6,640	-	3,360
Small equipment (non-capital)	1,225	1,225	-	-	1,225
Office supplies	300	300	117	-	183
Schools and training	4,100	4,100	3,803	-	297
Contracts - copier lease	3,500	3,500	601	-	2,899
Total public safety	2,030,844	2,030,844	1,978,359	-	52,485

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PUBLIC SAFETY COMMUNICATIONS FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
Employee benefits:					
Employee retirement - active	\$ 282,116	\$ 282,116	\$ 279,106	\$ -	\$ 3,010
FICA tax	133,008	133,008	122,447	-	10,561
MTA tax	5,933	5,933	5,442	-	491
Worker's compensation	56,659	56,607	51,722	-	4,885
Medical insurance - active	442,140	442,140	417,467	-	24,673
Health insurance - retirees	85,000	85,000	68,293	-	16,707
Medicare part B - retirees	8,000	8,000	7,712	-	288
Dental and optical	29,304	29,356	29,355	-	1
Disability	383	383	-	-	383
Total employee benefits	1,042,543	1,042,543	981,544	-	60,999
Debt service:					
Principal	6,000	6,000	6,000	-	-
Interest	525	525	414	-	111
Total debt service	6,525	6,525	6,414	-	111
Total expenditures	3,079,912	3,079,912	2,966,317	\$ -	113,595
Excess (deficiency) of revenues over (under) expenditures	(150,000)	(150,000)	71,780		221,780
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	150,000	150,000	-		(150,000)
Total other financing sources (uses)	150,000	150,000	-		(150,000)
Change in fund balance	\$ -	\$ -	71,780		\$ 71,780
Fund balance, beginning of year			905,135		
Fund balance, end of year			\$ 976,915		

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF CHANGES IN THE TOWN'S TOTAL PENSION LIABILITY
SERVICE AWARD PROGRAM
LAST THREE FISCAL YEARS***

Measurement date as of:	December 31, 2018	December 31, 2017	December 31, 2016
Total pension liability:			
Service cost	\$ 252,714	\$ 213,851	\$ 248,297
Interest	187,046	188,975	169,191
Changes of assumptions or other inputs	(463,800)	481,534	(459,825)
Differences between expected and actual experience	(29,022)	(15,078)	(49,492)
Benefit payments	<u>(93,496)</u>	<u>(71,744)</u>	<u>(62,825)</u>
Net change in total pension liability	(146,558)	797,538	(154,654)
Total pension liability, beginning of year	<u>5,713,219</u>	<u>4,915,681</u>	<u>5,070,335</u>
Total pension liability, end of year	<u><u>\$ 5,566,661</u></u>	<u><u>\$ 5,713,219</u></u>	<u><u>\$ 4,915,681</u></u>
Covered employee payroll	N/A	N/A	N/A
Total pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A

Note to Required Supplementary Information

Changes of assumptions or other inputs: The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

December 31, 2016:	3.71%
December 31, 2017:	3.16%
December 31, 2018:	3.64%

Trust assets: There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 73 to pay related benefits. The trust assets are not legally protected from creditors of the Town.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TWO FISCAL YEARS***

Measurement date as of:	December 31, 2019	December 31, 2018
Total OPEB liability:		
Service cost	\$ 4,388,291	\$ 3,506,756
Interest	9,462,552	9,706,721
Changes of assumptions or other inputs	70,230,105	-
Benefit payments	<u>(6,002,634)</u>	<u>(6,075,333)</u>
Net change in total OPEB liability	78,078,314	7,138,144
Total OPEB liability, beginning of year	<u>259,066,095</u>	<u>251,927,951</u>
Total OPEB liability, end of year	<u>\$ 337,144,409</u>	<u>\$ 259,066,095</u>
Covered employee payroll	\$ 36,862,692	\$ 36,862,692
Total OPEB liability as a percentage of covered-employee payroll	914.60%	702.79%

Note to Required Supplementary Information

* Ten years of historical information is not available upon implementation of GASB Statement No. 75. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The Town has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits, as New York State currently does not allow Towns to establish this type of trust. The Town currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

TOWN OF SOUTHAMPTON
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - NYSERS
LAST TEN FISCAL YEARS*
(Dollar amounts in thousands)

	2019	2018	2017	(A) 2016	2015	2014	**2013	**2012	**2011	**2010
Town's proportionate share of the net pension liability	0.09572%	0.09412%	0.09554%	0.09690%	0.09762%	0.09762%	N/A	N/A	N/A	N/A
Town's proportionate share of the net pension liability	\$ 6,782	\$ 3,038	\$ 8,977	\$ 15,552	\$ 3,298	\$ 4,411	N/A	N/A	N/A	N/A
Town's covered payroll	\$ 27,862	\$ 27,270	\$ 26,188	\$ 25,366	\$ 25,436	\$ 24,346	N/A	N/A	N/A	N/A
Town's proportionate share of the net pension liability as a percentage of covered payroll	24.34%	11.14%	34.28%	61.31%	12.97%	18.12%	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.24%	94.70%	90.68%	97.95%	97.15%	N/A	N/A	N/A	N/A

* The amounts presented for each fiscal year were determined (bi-annually) as of March 31st.

Not Available = N/A

(A) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

****Note to Required Supplementary Information**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - NYSPFRS
LAST TEN FISCAL YEARS*
(Dollar amounts in thousands)**

	2019	2018	2017	(A) 2016	2015	2014	**2013	**2012	**2011	**2010
Town's proportionate share of the net pension liability	0.40795%	0.40429%	0.43130%	0.43130%	0.41533%	0.41533%	N/A	N/A	N/A	N/A
Town's proportionate share of the net pension liability	\$ 6,842	\$ 4,086	\$ 8,547	\$ 12,770	\$ 1,143	\$ 1,729	N/A	N/A	N/A	N/A
Town's covered payroll	\$ 14,873	\$ 13,901	\$ 13,668	\$ 13,254	\$ 12,692	\$ 12,371	N/A	N/A	N/A	N/A
Town's proportionate share of the net pension liability as a percentage of covered payroll	46.00%	29.40%	62.53%	96.35%	9.01%	13.98%	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	95.09%	96.93%	93.46%	90.24%	99.03%	98.48%	N/A	N/A	N/A	N/A

* The amounts presented for each fiscal year were determined (bi-annually) as of March 31st.

Not Available = N/A

(A) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

****Note to Required Supplementary Information**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF TOWN PENSION CONTRIBUTIONS - NYSERS
LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Contractually required contribution	\$ 3,879,475	\$ 3,873,603	\$ 3,796,025	\$ 3,900,418	\$ 4,285,670	\$ 4,683,082	\$ 4,765,453	\$ 4,519,439	\$ 3,489,546	\$ 2,650,410
Contributions in relation to the contractually required contribution	<u>3,804,415</u>	<u>3,776,437</u>	<u>3,809,741</u>	<u>3,900,418</u>	<u>4,285,670</u>	<u>4,683,082</u>	<u>6,138,921</u>	<u>4,449,690</u>	<u>2,692,108</u>	<u>2,485,758</u>
Contribution deficiency (excess)	<u>\$ 75,060</u>	<u>\$ 97,166</u>	<u>\$ (13,716)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,373,468)</u>	<u>\$ 69,749</u>	<u>\$ 797,438</u>	<u>\$ 164,652</u>
Town's covered payroll	\$ 28,467,399	\$ 27,909,364	\$ 26,928,721	\$ 24,505,263	\$ 25,452,159	\$ 24,303,537	\$ 23,779,451	\$ 23,097,610	\$ 20,202,322	\$ 24,136,847
Contributions as a percentage of covered payroll	13.36%	13.53%	14.15%	15.92%	16.84%	19.27%	25.82%	19.26%	13.33%	10.30%

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
SCHEDULE OF TOWN PENSION CONTRIBUTIONS - NYSPFRS
LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Contractually required contribution	\$ 3,507,431	\$ 3,255,244	\$ 3,313,428	\$ 3,182,546	\$ 3,151,539	\$ 3,499,468	\$ 3,283,356	\$ 2,842,994	\$ 2,541,060	\$ 1,760,075
Contributions in relation to the contractually required contribution	<u>3,512,030</u>	<u>3,338,253</u>	<u>3,352,947</u>	<u>3,182,546</u>	<u>3,151,539</u>	<u>3,499,468</u>	<u>3,818,036</u>	<u>2,679,736</u>	<u>2,104,844</u>	<u>1,760,075</u>
Contribution deficiency (excess)	<u>\$ (4,599)</u>	<u>\$ (83,009)</u>	<u>\$ (39,519)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (534,680)</u>	<u>\$ 163,258</u>	<u>\$ 436,216</u>	<u>\$ -</u>
Town's covered payroll	\$ 14,398,973	\$ 14,930,469	\$ 13,682,639	\$ 13,678,321	\$ 13,150,298	\$ 12,689,273	\$ 12,024,729	\$ 11,524,979	\$ 11,762,034	\$ 11,278,874
Contributions as a percentage of covered payroll	24.39%	22.36%	24.51%	23.27%	23.97%	27.58%	31.75%	23.25%	17.90%	15.61%

OTHER SUPPLEMENTARY INFORMATION

TOWN OF SOUTHAMPTON
SCHEDULE OF OPEN PROJECTS - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

Project Number	Project Title	Expenditures					Methods of Financing							Fund Balance December 31, 2019
		Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Prior Years	Current Year			Total		
									Proceeds of Obligations	Contributions and Grants	Transfers In			
9947	Unallocated	\$ 6,145	\$ 2,603,428	\$ 141,412	\$ 1,979,247	\$ 2,120,659	\$ 482,769	\$ 563,554	\$ 1,617,848	\$ 422,026	\$ -	\$ 2,603,428	\$ 482,769	
C110	Nathaniel Rodgers House	850,000	10,521,976	6,252,246	2,876,044	9,128,290	1,393,686	10,521,976	-	-	-	10,521,976	1,393,686	
C118	Beach Nourishment	100,000	100,000	62,946	37,054	100,000	-	100,000	-	-	-	100,000	-	
C134	NS Landfill Post Closure	350,000	350,000	213,455	11,276	224,731	125,269	350,000	-	-	-	350,000	125,269	
C144	Local Waterfront Revenue	209,652	381,189	274,070	107,119	381,189	-	381,189	-	-	-	381,189	-	
C201	Reeves Bay	200,000	495,000	625,835	-	625,835	(130,835)	495,000	-	-	-	495,000	(130,835)	
C205	Bridge Reconstruction	97,050	97,050	64,325	-	64,325	-	97,050	-	-	-	97,050	32,725	
C218	Sebonac Bulkhead	-	136,900	117,035	19,865	136,900	-	136,900	-	-	-	136,900	-	
C233	Dredging Park Facilities	46,499	171,499	109,079	-	109,079	62,420	171,499	-	-	-	171,499	62,420	
C242	Time and Attendance	38,000	176,847	167,190	9,657	176,847	-	176,847	-	-	-	176,847	-	
C305	Animal Shelter HVAC	60,000	1,313,140	1,225,452	-	1,225,452	87,688	1,313,140	-	-	-	1,313,140	87,688	
C313	NS Park Restrooms	50,123	384,930	339,521	45,409	384,930	-	365,781	-	-	19,149	384,930	-	
C316	ICAD	200,000	662,616	511,466	-	511,466	151,150	650,000	-	12,616	-	662,616	151,150	
C327	AA Museum	341,000	890,550	434,532	235,817	670,349	220,201	890,550	-	-	-	890,550	220,201	
C404	Improvement of Unimproved Roads	150,000	150,000	84,161	-	84,161	65,839	150,000	-	-	-	150,000	65,839	
C413	Town Facilities Improvements	300,000	300,000	188,354	111,646	300,000	-	300,000	-	-	-	300,000	-	
C509	Shinnecock Dock Repair	75,000	375,000	194,954	108,035	302,989	72,011	375,000	-	-	-	375,000	72,011	
C510	Highway Equipment	1,364	1,210,817	770,817	-	770,817	440,000	1,210,817	-	-	-	1,210,817	440,000	
C511	Highway Salt Barn Improvements	17,107	217,107	608,621	-	608,621	(391,514)	217,107	-	-	-	217,107	(391,514)	
C522	Good Ground Park	258,000	4,092,040	3,700,197	342,267	4,042,464	49,576	3,942,040	-	-	150,000	4,092,040	49,576	
C524	Tiana Lifesaving Station	20,000	2,022,110	1,019,540	179,005	1,198,545	823,565	1,522,110	-	-	500,000	2,022,110	823,565	
C600	Town-wide Emergency Equipment	50,000	150,000	26,140	-	26,140	123,860	150,000	-	-	-	150,000	123,860	
C608	Park Improvements	310,000	800,945	644,741	30,199	674,940	126,005	800,945	-	-	-	800,945	126,005	
C611	Town-wide Bulkhead Improvements	84,093	236,256	236,256	-	236,256	-	236,256	-	-	-	236,256	-	
C615	Fueling Station Upgrade	300,000	716,500	334,751	1,095	335,846	380,654	716,500	-	-	-	716,500	380,654	
C616	Jackson Avenue Campus Phase 1	260,000	590,650	475,802	19,388	495,190	95,460	590,650	-	-	-	590,650	95,460	
C617	Ponquogue Bridge	76,140	1,651,034	1,995,490	166,968	2,162,458	(511,424)	1,173,122	-	304,362	173,550	1,651,034	(511,424)	
C619	Town Hall Assessment	128,723	677,298	184,303	438,671	622,974	54,324	677,298	-	-	-	677,298	54,324	
C621	Tupper Boat House	46,500	400,845	262,399	11,247	273,646	127,199	96,500	176,000	104,345	24,000	400,845	127,199	
C622	Communication Upgrade	200,000	2,615,000	1,433,929	249,773	1,683,702	931,298	2,615,000	-	-	-	2,615,000	931,298	
C700	Shuttle Busses	60,000	90,000	88,603	1,397	90,000	-	90,000	-	-	-	90,000	-	
C701	Little Neck Road Pier	200,000	265,500	262,553	-	262,553	2,947	265,500	-	-	-	265,500	2,947	
C706	Town-wide Culvert	75,000	75,000	73,943	1,057	75,000	-	75,000	-	-	-	75,000	-	
C712	Bay Ave Building Demolition	50,000	50,000	200	-	200	49,800	50,000	-	-	-	50,000	49,800	
C713	Hampton Bays Community Center	225,000	5,225,000	203,500	8,497,637	8,701,137	(3,476,137)	225,000	5,000,000	-	-	5,225,000	(3,476,137)	
C714	Jackson Ave Parking Lots - Parking Lots	150,000	150,000	127,201	-	127,201	22,799	150,000	-	-	-	150,000	22,799	
C715	Town Facilities Improvements	100,000	100,000	15,976	84,024	100,000	-	100,000	-	-	-	100,000	-	
C718	Police Building HVAC Improvements	40,000	40,000	8,484	-	8,484	31,516	40,000	-	-	-	40,000	31,516	
C720	Permeable Reactive Barrier	162,500	162,500	84,559	63,093	147,652	14,848	162,500	-	-	-	162,500	14,848	
C721	Highway Department Fuel Tank Upgrade	40,000	40,000	39,492	508	40,000	-	40,000	-	-	-	40,000	-	
C804	Stormwater Management Plan	225,000	1,339,903	1,222,246	56,958	1,279,204	60,699	1,339,903	-	-	-	1,339,903	60,699	
H101	Network Infrastructure	54,558	54,558	54,558	-	54,558	-	54,558	-	-	-	54,558	-	
H105	Financial Systems Upgrade	63,000	63,000	50,072	1,400	51,472	11,528	63,000	-	-	-	63,000	11,528	
H106	ESX Environmental Update	27,800	27,800	14,520	13,280	27,800	-	27,800	-	-	-	27,800	-	
H107	Riverside Salamander Survey	32,000	82,000	19,648	11,845	31,493	50,507	32,000	-	-	50,000	82,000	50,507	
H108	Sewering Feasibility Study	20,000	20,000	-	-	-	20,000	20,000	-	-	-	20,000	20,000	
H109	Hot Dog Beach Improvements	90,200	195,778	175,777	20,001	195,778	-	98,237	-	-	97,541	195,778	-	
H110	Shinnecock Canal Park Improvements	510,000	510,000	32,500	31,000	63,500	446,500	510,000	-	-	-	510,000	446,500	
H111	Bay Avenue Bulkhead	300,000	300,000	16,320	10,380	26,700	273,300	300,000	-	-	-	300,000	273,300	
H112	Ponquogue Bathing Facility Improvements	190,000	415,000	190,000	108,024	298,024	116,976	190,000	-	-	225,000	415,000	116,976	
H113	Resurface Ballfields	50,000	50,000	26,480	3,919	30,399	19,601	50,000	-	-	-	50,000	19,601	
H114	Paving Parking Lots	25,000	25,000	24,417	583	25,000	-	25,000	-	-	-	25,000	-	
H116	Scott Cameron Beach Restrooms	150,000	150,000	1,250	-	1,250	148,750	150,000	-	-	-	150,000	148,750	
H117	Signage	20,000	20,000	19,362	638	20,000	-	20,000	-	-	-	20,000	-	
H118	Garbage Receptacles	28,500	28,500	28,334	166	28,500	-	28,500	-	-	-	28,500	-	
H119	Repair and Recolor Courts	50,000	225,000	122,536	52,128	174,664	50,336	150,000	-	-	75,000	225,000	50,336	
H120	Parks Equipment	75,000	375,905	241,362	9,967	251,329	124,576	275,000	-	-	100,905	375,905	124,576	
H121	Town-wide Bridge Reconstruction	250,000	250,000	-	-	-	250,000	250,000	-	-	-	250,000	250,000	
H122	Town-wide Bulkhead Improvements	150,000	450,000	69,902	-	69,902	380,098	300,000	150,000	-	-	450,000	380,098	
H123	Town-wide Drainage Improvements	150,000	601,057	36,322	13,200	49,522	551,535	350,000	250,000	-	1,057	601,057	551,535	
H124	Town-wide Culverts Drainage Improvements	200,000	350,000	345,773	4,227	350,000	-	350,000	-	-	-	350,000	-	
H126	Town-wide Road Improvements	3,100,000	6,575,000	4,745,516	1,774,250	6,519,766	55,234	4,750,000	1,700,000	125,000	-	6,575,000	55,234	
H128	Town-wide Sidewalks	150,000	350,000	248,515	100,460	348,975	1,025	250,000	100,000	-	-	350,000	1,025	
H129	Town Facilities Improvements	423,090	1,517,700	524,646	744,456	1,269,102	248,598	1,323,090	-	-	194,610	1,517,700	248,598	
H130	Waste Management Equipment	248,500	248,500	190,815	57,685	248,500	-	248,500	-	-	-	248,500	-	
H133	Police Department Facilities Improvements	175,000	350,000	79,047	99,991	179,038	170,962	275,000	75,000	-	-	350,000	170,962	
H134	Ludlam Avenue Park Improvements	10,175	132,411	103,132	246,440	349,572	(217,161)	90,624	-	-	41,787	132,411	(217,161)	
H135	Riverside Maritime Trail Plan	32,000	226,118	55,973	135,561	191,534	34,584	32,000	-	46,000	148,118	226,118	34,584	
H136	Hot Dog Beach Access Ramp	100,000	293,317	246,749	36,076	282,825	10,492	293,317	-	-	-	293,317	10,492	

TOWN OF SOUTHAMPTON
SCHEDULE OF OPEN PROJECTS - CAPITAL PROJECTS FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

		Expenditures					Methods of Financing							
								Current Year						
Project Number	Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Prior Years	Proceeds of Obligations	Contributions and Grants	Transfers In	Total	Fund Balance December 31, 2019	
H137	Bulkhead Repair Baycrest Avenue	\$ 375,000	\$ 445,000	\$ -	\$ -	\$ -	\$ 445,000	\$ 375,000	\$ -	\$ -	\$ 70,000	\$ 445,000	\$ 445,000	
H200	Bulkhead Repairs	250,000	250,000	-	83,700	83,700	166,300	250,000	-	-	-	250,000	166,300	
H201	Shuttle Busses	40,000	47,305	-	47,305	47,305	-	40,000	-	-	7,305	47,305	-	
H202	Beaches and Marinas Equipment	50,000	50,000	27,577	18,809	46,386	3,614	50,000	-	-	-	50,000	3,614	
H203	Govern Software Upgrade	300,000	650,000	244,809	93,739	338,548	311,452	300,000	-	-	350,000	650,000	311,452	
H204	Video Surveillance Equipment	100,000	235,000	19,590	80,410	100,000	135,000	100,000	-	-	135,000	235,000	135,000	
H205	Network Infrastructure	115,915	115,915	99,182	16,733	115,915	-	115,915	-	-	-	115,915	-	
H206	Comprehensive Plan	200,000	275,000	-	110,067	110,067	164,933	200,000	75,000	-	-	275,000	164,933	
H207	Turf at Red Creek Improvements	185,000	185,000	184,116	884	185,000	-	185,000	-	-	-	185,000	-	
H208	Bridgehampton Traffic Safety	-	-	-	28,960	127,617	(156,577)	-	-	-	-	-	(156,577)	
H209	Detention Cameras	65,000	65,000	46,585	8,940	55,525	9,475	65,000	-	-	-	65,000	9,475	
H210	Patrol Cars Equipment	65,000	130,000	64,511	51,402	115,913	14,087	65,000	65,000	-	-	130,000	14,087	
H211	Meadowlark Lane Improvements	898,000	898,000	406,380	449,691	856,071	41,929	898,000	-	-	-	898,000	41,929	
H212	Well Plant #1 Water Extensions	1,245,000	1,245,000	1,232,004	-	1,232,004	12,996	1,245,000	-	-	-	1,245,000	12,996	
H213	Hampton Bays LIRR Parking Lot	94,794	-	-	94,794	94,794	(94,794)	-	-	-	-	-	(94,794)	
H214	Water Quality Round Pond	187,000	187,000	-	-	-	187,000	187,000	-	-	-	187,000	187,000	
H215	Water Quality Hampton Hills	168,178	168,178	-	44,203	44,203	123,975	168,178	-	-	-	168,178	123,975	
H216	Water Quality Southampton Village	292,040	292,040	-	-	-	292,040	292,040	-	-	-	292,040	292,040	
H217	Water Quality Village of Westhampton Beach	2,067,468	2,067,468	-	1,158,229	1,158,229	909,239	2,067,468	-	-	-	2,067,468	909,239	
H218	Village of Westhampton Beach Sewer	1,130,000	1,130,000	-	824,225	824,225	305,775	1,130,000	-	-	-	1,130,000	305,775	
H219	Mecox Bay Improvements	271,922	323,164	16,950	38,305	55,255	267,909	271,922	-	-	51,242	323,164	267,909	
H220	Village of Southampton Sewer	264,000	286,000	-	-	-	286,000	264,000	-	-	22,000	286,000	286,000	
H300	Speonk Shores Canal	300,000	300,000	-	-	-	300,000	-	300,000	-	-	300,000	300,000	
H301	Time and Attendance Software	159,657	159,657	-	104,359	104,359	55,298	-	-	-	159,657	159,657	55,298	
H302	Network Infrastructure	114,480	114,480	-	99,822	99,822	14,658	-	-	-	114,480	114,480	14,658	
H303	Hampton Bays Sewer Study	75,000	75,000	-	-	-	75,000	-	75,000	-	-	75,000	75,000	
H304	Lobster Inn Marina	200,000	200,000	-	-	-	200,000	-	200,000	-	-	200,000	200,000	
H305	Highway Equipment	750,000	750,000	-	750,000	750,000	-	-	476,000	-	274,000	750,000	-	
H306	Town-wide Drainage	254,228	254,228	-	252,701	252,701	1,527	-	250,000	-	4,228	254,228	1,527	
H307	Town-wide Subdivision Road Improvements	650,000	650,000	-	650,000	650,000	-	-	650,000	-	-	650,000	-	
H308	CPI PDD Road Project	50,000	50,000	-	-	-	50,000	-	-	-	50,000	50,000	50,000	
H309	Town Hall Improvements	3,335,707	3,335,707	-	1,686,006	1,686,006	1,649,701	-	3,000,000	-	335,707	3,335,707	1,649,701	
H311	Police Department Storage Facility	350,000	350,000	-	-	-	350,000	-	350,000	-	-	350,000	350,000	
H312	Reeves Bay Catwalk	500,000	500,000	-	17,347	17,347	482,653	-	-	-	500,000	500,000	482,653	
H313	Tupper Boathouse	100,000	100,000	-	-	-	100,000	-	-	-	100,000	100,000	100,000	
H315	Jackson Avenue Campus Study	200,000	200,000	-	-	-	200,000	-	200,000	-	-	200,000	200,000	
H316	Re-nourishment of NSBED	340,000	340,000	-	21,085	21,085	318,915	-	340,000	-	-	340,000	318,915	
H317	Demolition of Westhampton CC	125,000	125,000	-	73,045	73,045	51,955	-	-	-	125,000	125,000	51,955	
H319	CPF WQ	4,000,000	4,000,000	-	285,149	285,149	3,714,851	-	-	-	4,000,000	4,000,000	3,714,851	
H320	Southampton Ambulance Building	244,387	244,387	-	53,506	53,506	190,881	-	-	110,650	133,737	244,387	190,881	
H321	Mill Pond Aquatic Restoration	180,180	180,180	-	-	-	180,180	-	-	-	180,180	180,180	180,180	
H322	Lake Agawam	211,600	211,600	-	-	-	211,600	-	-	-	211,600	211,600	211,600	
H324	Hampton Bays Water District Infrastructure	790,000	790,000	-	239,537	239,537	550,463	-	-	-	790,000	790,000	550,463	
H325	Flying Point Beach Pavilion	960,400	960,400	-	22,656	22,656	937,744	-	-	-	960,400	960,400	937,744	
H326	Bridgehampton Beach	43,465	43,465	-	-	-	43,465	-	-	-	43,465	43,465	43,465	
H327	NYSC/WHB School	195,000	195,000	-	-	-	195,000	-	-	-	195,000	195,000	195,000	
H328	Alewife Creek	410,000	410,000	-	-	-	410,000	-	-	-	410,000	410,000	410,000	
H329	Sagg Pond Inlet	182,000	182,000	-	-	-	182,000	-	-	-	182,000	182,000	182,000	
Totals		\$ 35,913,140	\$ 79,681,448	\$ 34,859,966	\$ 26,664,399	\$ 61,524,365	\$ 18,157,083	\$ 52,300,883	\$ 15,049,848	\$ 1,124,999	\$ 11,205,718	\$ 79,681,448	\$ 18,157,083	

TOWN OF SOUTHAMPTON
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

SPECIAL REVENUE FUNDS										
SPECIAL DISTRICT FUNDS										
	Special Grant Fund	Special Fund	Fire Protection Districts	Lighting Districts	Public Parking Districts	Water Districts	Ambulance Districts	Coastal Erosion Districts	Parks Districts	Total Non-Major Governmental Funds
ASSETS										
Cash and cash equivalents	\$ 3,686	\$ -	\$ 382,842	\$ 1,223,757	\$ 412,539	\$ 1,598,774	\$ 1,075,373	\$ 1,191,067	\$ 854,746	\$ 6,742,784
Restricted cash	171,059	4,296,543	-	-	-	758,192	-	-	-	5,225,794
Accounts receivable, net	-	14,445	-	-	5,082	477,974	-	-	-	497,501
Due from other funds	-	-	-	-	-	-	-	-	-	-
Due from fiduciary funds	-	-	-	469	-	2,412	-	-	-	2,881
Prepaid items	3,474	-	-	-	-	74,095	-	-	-	77,569
Total assets	\$ 178,219	\$ 4,310,988	\$ 382,842	\$ 1,224,226	\$ 417,621	\$ 2,911,447	\$ 1,075,373	\$ 1,191,067	\$ 854,746	\$ 12,546,529
LIABILITIES										
Accounts payable	\$ 3,686	\$ 248,034	\$ 23,044	\$ 24,588	\$ 19,134	\$ 91,182	\$ 13,451	\$ 9,542	\$ 5,024	\$ 437,685
Accrued liabilities	-	100,658	-	-	-	159,402	-	-	-	260,060
Due to other funds	-	1,655,000	-	-	-	-	-	-	-	1,655,000
Total liabilities	3,686	2,003,692	23,044	24,588	19,134	250,584	13,451	9,542	5,024	2,352,745
DEFERRED INFLOWS OF RESOURCES										
Property taxes	-	326	205,683	94,506	21,207	257,231	672,736	478,901	95,200	1,825,790
Total deferred inflows of resources	-	326	205,683	94,506	21,207	257,231	672,736	478,901	95,200	1,825,790
FUND BALANCE										
Fund balance:										
Nonspendable	3,474	-	-	-	-	74,095	-	-	-	77,569
Restricted	171,059	2,306,970	-	-	-	758,192	-	-	-	3,236,221
Committed	-	-	-	-	-	55,000	-	-	-	55,000
Assigned	-	-	154,115	1,105,132	377,280	1,516,345	389,186	702,624	754,522	4,999,204
Total fund balance	174,533	2,306,970	154,115	1,105,132	377,280	2,403,632	389,186	702,624	754,522	8,367,994
Total liabilities, deferred inflows of resources and fund balance	\$ 178,219	\$ 4,310,988	\$ 382,842	\$ 1,224,226	\$ 417,621	\$ 2,911,447	\$ 1,075,373	\$ 1,191,067	\$ 854,746	\$ 12,546,529

TOWN OF SOUTHAMPTON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

SPECIAL REVENUE FUNDS										
SPECIAL DISTRICT FUNDS										Total Non-Major Governmental Funds
REVENUES	Special Grant Fund	Special Fund	Fire Protection Districts	Lighting Districts	Public Parking Districts	Water Districts	Ambulance Districts	Coastal Erosion Districts	Parks Districts	
Real property taxes	\$ -	\$ -	\$ 1,057,501	\$ 497,464	\$ 117,613	\$ 1,264,257	\$ 3,610,999	\$ 2,543,484	\$ 507,219	\$ 9,598,537
Other real property tax items	-	-	7,093	1,816	206	8,815	97,756	-	893	116,579
Departmental income	-	-	-	-	-	2,363,569	-	-	-	2,363,569
Use of money and property	1,284	185,404	4,840	26,085	7,818	312,683	22,817	45,668	21,850	628,449
Fines and forfeitures	-	19,000	-	-	-	-	-	-	-	19,000
Sale of property and compensation for loss	-	336,038	-	-	-	-	-	-	-	336,038
Miscellaneous local sources	854	362,160	-	811	17,378	1,395	-	-	-	382,598
State aid	-	88,528	-	-	-	-	-	-	-	88,528
Federal aid	3,467,780	-	-	-	-	-	-	-	-	3,467,780
Total revenues	3,469,918	991,130	1,069,434	526,176	143,015	3,950,719	3,731,572	2,589,152	529,962	17,001,078
EXPENDITURES										
General governmental support	-	1,341,169	-	-	-	-	-	-	-	1,341,169
Public safety	-	27,356	1,116,239	-	-	-	-	-	-	1,143,595
Health	-	-	-	-	-	-	3,339,280	-	-	3,339,280
Transportation	-	-	-	234,876	99,124	-	-	-	-	334,000
Economic assistance and opportunity	-	394,292	-	-	-	-	-	-	-	394,292
Culture and recreation	-	215,500	-	-	-	-	-	-	402,254	617,754
Home and community services	3,294,776	59,937	-	-	-	2,654,859	-	89,848	-	6,099,420
Employee benefits	-	415	-	-	-	646,173	220,055	-	-	866,643
Debt service -										
Principal	-	-	-	30,320	5,507	633,969	16,613	2,160,000	38,156	2,884,565
Interest	-	-	-	4,384	596	111,171	1,798	417,950	11,568	547,467
Total expenditures	3,294,776	2,038,669	1,116,239	269,580	105,227	4,046,172	3,577,746	2,667,798	451,978	17,568,185
Excess (deficiency) of revenues over (under) expenditures	175,142	(1,047,539)	(46,805)	256,596	37,788	(95,453)	153,826	(78,646)	77,984	(567,107)
OTHER FINANCING SOURCES (USES)										
Premium on obligations	-	-	-	-	-	-	-	749	-	749
Transfers in	-	6,363	-	-	-	-	-	-	-	6,363
Transfers out	(214,328)	(1,300,100)	-	-	-	(790,000)	(133,737)	-	-	(2,438,165)
Total other financing sources (uses)	(214,328)	(1,293,737)	-	-	-	(790,000)	(133,737)	749	-	(2,431,053)
Change in fund balance	(39,186)	(2,341,276)	(46,805)	256,596	37,788	(885,453)	20,089	(77,897)	77,984	(2,998,160)
Fund balance, beginning of year	213,719	4,648,246	200,920	848,536	339,492	3,289,085	369,097	780,521	676,538	11,366,154
Fund balance, end of year	\$ 174,533	\$ 2,306,970	\$ 154,115	\$ 1,105,132	\$ 377,280	\$ 2,403,632	\$ 389,186	\$ 702,624	\$ 754,522	\$ 8,367,994

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FIRE PROTECTION DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
REVENUES					
Real property taxes	\$ 1,058,133	\$ 1,058,133	\$ 1,057,501		\$ (632)
Other real property tax items:					
Other payments in lieu of taxes	6,000	6,000	7,093		1,093
Total other real property tax items	6,000	6,000	7,093		1,093
Use of money and property:					
Interest and earnings	1,950	1,950	4,840		2,890
Total use of money and property	1,950	1,950	4,840		2,890
Total revenues	<u>1,066,083</u>	<u>1,066,083</u>	<u>1,069,434</u>		<u>3,351</u>
EXPENDITURES					
Public safety:					
Contracts - other	1,021,217	1,071,217	1,070,215	\$ -	1,002
Electric	49,866	49,866	46,024	-	3,842
Total public safety	1,071,083	1,121,083	1,116,239	-	4,844
Total expenditures	<u>1,071,083</u>	<u>1,121,083</u>	<u>1,116,239</u>	<u>\$ -</u>	<u>4,844</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,000)</u>	<u>(55,000)</u>	<u>(46,805)</u>		<u>8,195</u>
OTHER FINANCING SOURCES					
Appropriated fund balance	5,000	55,000	-		(55,000)
Total other financing sources	5,000	55,000	-		(55,000)
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(46,805)</u>		<u>\$ (46,805)</u>
Fund balance, beginning of year			<u>200,920</u>		
Fund balance, end of year			<u>\$ 154,115</u>		

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LIGHTING DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts			Year-end	
	Original Budget	Revised Budget	Actual	Encumbrances	Variance
REVENUES					
Real property taxes	\$ 497,464	\$ 497,464	\$ 497,464		\$ -
Other real property tax items:					
Other payments in lieu of taxes	2,040	2,040	1,816		(224)
Total other real property tax items	2,040	2,040	1,816		(224)
Use of money and property:					
Interest and earnings	11,200	11,200	26,085		14,885
Total use of money and property	11,200	11,200	26,085		14,885
Miscellaneous local sources					
Insurance recoveries	-	-	527		527
Miscellaneous tax receipts	-	-	284		284
Total miscellaneous local sources	-	-	811		811
Total revenues	510,704	510,704	526,176		15,472
EXPENDITURES					
Transportation:					
Contracts	36,500	36,500	11,215	\$ -	25,285
Electric	217,352	234,352	223,661	-	10,691
Total transportation	253,852	270,852	234,876	-	35,976
Debt service:					
Principal	235,324	218,324	30,320	-	188,004
Interest	39,391	39,391	4,384	-	35,007
Total debt service	274,715	257,715	34,704	-	223,011
Total expenditures	528,567	528,567	269,580	\$ -	258,987
Excess (deficiency) of revenues over (under) expenditures	(17,863)	(17,863)	256,596		274,459
OTHER FINANCING SOURCES					
Appropriated fund balance	17,863	17,863	-		(17,863)
Total other financing sources	17,863	17,863	-		(17,863)
Change in fund balance	\$ -	\$ -	256,596		\$ 256,596
Fund balance, beginning of year			848,536		
Fund balance, end of year			\$ 1,105,132		

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PUBLIC PARKING DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts			Year-end	
	Original	Revised	Actual	Encumbrances	Variance
	Budget	Budget			
REVENUES					
Real property taxes	\$ 117,613	\$ 117,613	\$ 117,613		\$ -
Other real property tax items:					
Other payments in lieu of taxes	190	190	206		16
Total other real property tax items	190	190	206		16
Use of money and property:					
Interest and earnings	3,300	3,300	7,818		4,518
Total use of money and property	3,300	3,300	7,818		4,518
Miscellaneous local sources					
Miscellaneous	10,000	10,000	17,378		7,378
Total miscellaneous local sources	10,000	10,000	17,378		7,378
Total revenues	131,103	131,103	143,015		11,912
EXPENDITURES					
Transportation:					
Contracts	127,800	127,800	92,320	\$ -	35,480
P & R CB Water	15,000	15,000	6,192	-	8,808
Electric	1,200	1,200	612	-	588
Total transportation	144,000	144,000	99,124	-	44,876
Debt service:					
Principal	5,507	5,507	5,507	-	-
Interest	596	596	596	-	-
Total debt service	6,103	6,103	6,103	-	-
Total expenditures	150,103	150,103	105,227	\$ -	44,876
Excess (deficiency) of revenues over (under) expenditures	(19,000)	(19,000)	37,788		56,788
OTHER FINANCING SOURCES					
Appropriated fund balance	19,000	19,000	-		(19,000)
Total other financing sources	19,000	19,000	-		(19,000)
Change in fund balance	\$ -	\$ -	37,788		\$ 37,788
Fund balance, beginning of year			339,492		
Fund balance, end of year			\$ 377,280		

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - WATER DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts				
	Original Budget	Revised Budget	Actual	Year-end Encumbrances	Variance
REVENUES					
Real property taxes	\$ 1,264,257	\$ 1,264,257	\$ 1,264,257		\$ -
Other real property tax items:					
Other payments in lieu of taxes	3,400	3,400	3,936		536
Interest and penalties - real property taxes	4,000	4,000	4,879		879
Total other real property tax items	7,400	7,400	8,815		1,415
Departmental income:					
Metered water sales	2,226,700	2,226,700	2,363,569		136,869
Total departmental income	2,226,700	2,226,700	2,363,569		136,869
Use of money and property:					
Interest and earnings	35,000	35,000	43,752		8,752
Rentals	325,000	325,000	268,931		(56,069)
Total use of money and property	360,000	360,000	312,683		(47,317)
Miscellaneous local sources:					
Refunds of prior years	-	-	379		379
Miscellaneous	-	-	1,016		1,016
Total miscellaneous local sources	-	-	1,395		1,395
Total revenues	3,858,357	3,858,357	3,950,719		92,362
EXPENDITURES					
Home and community services:					
Cost of water	328,000	328,000	315,018	\$ -	12,982
Salaries	866,627	792,034	786,289	-	5,745
Overtime	1,600	800	-	-	800
Severance	46,171	125,612	125,612	-	-
Accumulated sick/personal time	2,295	2,295	-	-	2,295
Part time salaries	24,480	30,280	24,390	-	5,890
Longevity	53,104	53,104	48,682	-	4,422
Cash in lieu of health benefits	12,004	12,004	9,651	-	2,353
Equipment	8,000	8,000	1,400	-	6,600
Vehicles	42,000	42,000	-	-	42,000
Meter settings	48,000	48,000	42,166	-	5,834
Contracts	487,860	458,060	403,292	10,438	44,330
Gasoline	14,000	8,572	8,357	-	215
Electric	273,000	286,000	285,555	-	445
Fuel oil	25,000	15,000	12,282	-	2,718
Repair equipment	244,000	245,760	245,753	-	7
Vehicle repair	23,500	22,500	21,322	-	1,178
Postage	19,000	19,000	14,489	-	4,511
Telephone	13,300	6,300	5,630	-	670
Travel, dues and related	4,500	4,500	4,151	-	349
Uniforms	4,500	4,500	3,528	-	972
Other	-	625	-	-	625
Publicity and public notices	400	400	340	-	60
Small equipment (non capital)	5,000	2,000	1,614	-	386
Office supplies	1,000	1,000	910	-	90
Supplies - other	2,500	3,000	2,833	-	167

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - WATER DISTRICTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts				
	Original Budget	Revised Budget	Actual	Year-end Encumbrances	Variance
Home and community services, con'td:					
Safety equipment	\$ 1,800	\$ 1,800	\$ 1,625	\$ -	\$ 175
Diesel fuel	8,000	7,200	6,248	-	952
Chemicals	142,850	171,193	169,623	-	1,570
Water analysis	49,000	73,800	67,612	2,041	4,147
Engineering fees	37,000	44,000	43,712	-	288
Wireless telephone	1,800	1,800	819	-	981
Landfill charges	3,000	3,000	1,956	-	1,044
Total home and community services	2,793,291	2,822,139	2,654,859	12,479	154,801
Employee benefits:					
Employee retirement	135,035	135,035	133,594	-	1,441
FICA tax	82,278	77,278	70,851	-	6,427
MTA tax	3,667	3,667	3,149	-	518
Worker's compensation	72,136	70,636	65,850	-	4,786
Medical insurance	287,448	244,358	242,272	-	2,086
Medical insurance - retiree	80,000	100,400	99,636	-	764
Medicare reimbursement - part B	15,000	15,342	15,342	-	-
Dental and optical	18,648	18,648	15,468	-	3,180
Disability	278	278	11	-	267
Total employee benefits	694,490	665,642	646,173	-	19,469
Debt service:					
Principal	633,969	633,969	633,969	-	-
Interest	113,607	113,607	111,171	-	2,436
Total debt service	747,576	747,576	745,140	-	2,436
Total expenditures	4,235,357	4,235,357	4,046,172	\$ 12,479	176,706
Excess (deficiency) of revenues over (under) expenditures	(377,000)	(377,000)	(95,453)		269,068
OTHER FINANCING SOURCES (USES)					
Interfund transfer out	-	(790,000)	(790,000)		-
Appropriated fund balance	377,000	1,167,000	-		(1,167,000)
Total other financing sources (uses)	377,000	377,000	(790,000)		(1,167,000)
Change in fund balance	\$ -	\$ -	(885,453)		\$ (897,932)
Fund balance, beginning of year			3,289,085		
Fund balance, end of year			\$ 2,403,632		

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - AMBULANCE DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts			Year-end	
	Original	Revised	Actual	Encumbrances	Variance
	Budget	Budget			
REVENUES					
Real property taxes	\$ 3,696,992	\$ 3,696,992	\$ 3,610,999		\$ (85,993)
Other real property tax items:					
Other payments in lieu of taxes	8,000	8,000	97,756		89,756
Total other real property tax items	8,000	8,000	97,756		89,756
Use of money and property:					
Interest and earnings	17,000	17,000	22,817		5,817
Total use of money and property	17,000	17,000	22,817		5,817
Total revenues	3,721,992	3,721,992	3,731,572		9,580
EXPENDITURES					
Health:					
Contracts	3,340,854	3,340,854	3,339,280	\$ -	1,574
Total health	3,340,854	3,340,854	3,339,280	-	1,574
Employee benefits:					
LOSAP	230,740	233,980	220,055	-	13,925
Total employee benefits	230,740	233,980	220,055	-	13,925
Debt service:					
Principal	16,613	16,613	16,613	-	-
Interest	1,798	1,798	1,798	-	-
Total debt service	18,411	18,411	18,411	-	-
Total expenditures	3,590,005	3,593,245	3,577,746	\$ -	15,499
Excess (deficiency) of revenues over (under) expenditures	131,987	128,747	153,826		25,079
OTHER FINANCING SOURCES					
Interfund transfer out	(133,737)	(133,737)	(133,737)		-
Appropriated fund balance	1,750	4,990	-		(4,990)
Total other financing sources	(131,987)	(128,747)	(133,737)		(4,990)
Change in fund balance	\$ -	\$ -	20,089		\$ 20,089
Fund balance, beginning of year			369,097		
Fund balance, end of year			\$ 389,186		

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COASTAL EROSION DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts				
	Original Budget	Revised Budget	Actual	Year-end Encumbrances	Variance
REVENUES					
Real property taxes	\$ 2,543,484	\$ 2,543,484	\$ 2,543,484		\$ -
Use of money and property:					
Interest and earnings	19,500	19,500	45,668		26,168
Total use of money and property	19,500	19,500	45,668		26,168
Total revenues	<u>2,562,984</u>	<u>2,562,984</u>	<u>2,589,152</u>		<u>26,168</u>
EXPENDITURES					
Home and community services:					
Other	20,000	20,000	1,837	\$ -	18,163
Consultants	120,000	141,268	88,011	60,962	(7,705)
Total home and community services	140,000	161,268	89,848	60,962	10,458
Debt service:					
Principal	2,160,000	2,160,000	2,160,000	-	-
Interest	417,950	417,950	417,950	-	-
Total debt service	2,577,950	2,577,950	2,577,950	-	-
Total expenditures	<u>2,717,950</u>	<u>2,739,218</u>	<u>2,667,798</u>	<u>\$ 60,962</u>	<u>10,458</u>
Excess (deficiency) of revenues over (under) expenditures	(154,966)	(176,234)	(78,646)		36,626
OTHER FINANCING SOURCES					
Premium on obligations	-	-	749		749
Appropriated fund balance	154,966	176,234	-		(176,234)
Total other financing sources	154,966	176,234	749		(175,485)
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(77,897)		<u>\$ (138,859)</u>
Fund balance, beginning of year			780,521		
Fund balance, end of year			<u>\$ 702,624</u>		

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TOWN OF SOUTHAMPTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PARKS DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts		Actual	Year-end Encumbrances	Variance
	Original Budget	Revised Budget			
REVENUES					
Real property taxes	\$ 507,219	\$ 507,219	\$ 507,219		\$ -
Other real property tax items:					
Other payments in lieu of taxes	1,105	1,105	893		(212)
Total other real property tax items	1,105	1,105	893		(212)
Use of money and property:					
Interest and earnings	8,700	8,700	21,850		13,150
Total use of money and property	8,700	8,700	21,850		13,150
Total revenues	<u>517,024</u>	<u>517,024</u>	<u>529,962</u>		<u>12,938</u>
EXPENDITURES					
Culture and recreation:					
Contracts	457,300	457,300	402,254	\$ -	55,046
Building repair	10,000	10,000	-	-	10,000
Total culture and recreation	467,300	467,300	402,254	-	65,046
Debt service:					
Principal	38,156	38,156	38,156	-	-
Interest	11,568	11,568	11,568	-	-
Total debt service	49,724	49,724	49,724	-	-
Total expenditures	<u>517,024</u>	<u>517,024</u>	<u>451,978</u>	<u>\$ -</u>	<u>65,046</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	77,984		<u>\$ 77,984</u>
Fund balance, beginning of the year			676,538		
Fund balance, end of year			<u>\$ 754,522</u>		

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SUPPLEMENTARY
INFORMATION**

**TOWN OF SOUTHAMPTON
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2019**

	Town Agency Fund	Town Clerk Agency Fund	Town Receiver of Taxes Agency Fund	Total Agency Funds
ASSETS				
Cash	\$ 15,263,836	\$ 14,685	\$ 45,662,054	\$ 60,940,575
Due from proprietary funds	39	-	-	39
Due from governmental funds	2,503	-	-	2,503
Service award program assets	3,735,052	-	-	3,735,052
Total assets	<u>\$ 19,001,430</u>	<u>\$ 14,685</u>	<u>\$ 45,662,054</u>	<u>\$ 64,678,169</u>
LIABILITIES				
Due to proprietary funds	\$ 299	\$ -	\$ -	\$ 299
Due to governmental funds	853,232	-	-	853,232
Due to school districts	-	-	22,831,027	22,831,027
Service award program liabilities	3,735,052	-	-	3,735,052
Other agency liabilities	14,412,847	14,685	22,831,027	37,258,559
Total liabilities	<u>\$ 19,001,430</u>	<u>\$ 14,685</u>	<u>\$ 45,662,054</u>	<u>\$ 64,678,169</u>

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TOWN OF SOUTHAMPTON
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Beginning Balance	Additions	Deductions	Ending Balance
ASSETS				
Town Agency Fund				
Cash	\$ 2,368,638	\$ 433,870,382	\$ 420,975,184	\$ 15,263,836
Due from proprietary funds	603	39	603	39
Due from governmental funds	65,867	2,503	65,867	2,503
Service award program assets	3,820,686	-	85,634	3,735,052
Total assets - Town Agency Fund	6,255,794	433,872,924	421,127,288	19,001,430
Town Clerk Agency Fund				
Cash	14,790	14,685	14,790	14,685
Total assets - Town Clerk Agency Fund	14,790	14,685	14,790	14,685
Town Receiver of Taxes Agency Fund				
Cash	82,134,276	45,662,054	82,134,276	45,662,054
Total assets - Town Receiver of Taxes Agency Fund	82,134,276	45,662,054	82,134,276	45,662,054
Total assets	<u>\$ 88,404,860</u>	<u>\$ 479,549,663</u>	<u>\$ 503,276,354</u>	<u>\$ 64,678,169</u>
LIABILITIES				
Town Agency Fund				
Due to proprietary funds	\$ -	\$ 299	\$ -	\$ 299
Due to governmental funds	401,402	853,232	401,402	853,232
Service award program liabilities	3,820,686	-	85,634	3,735,052
Other agency liabilities	2,033,706	433,019,393	420,640,252	14,412,847
Total liabilities - Town Agency Fund	6,255,794	433,872,924	421,127,288	19,001,430
Town Clerk Agency Fund				
Other agency liabilities	14,790	14,685	14,790	14,685
Total liabilities - Town Clerk Agency Fund	14,790	14,685	14,790	14,685
Town Receiver of Taxes Agency Fund				
Due to school districts	41,067,138	22,831,027	41,067,138	22,831,027
Other agency liabilities	41,067,138	22,831,027	41,067,138	22,831,027
Total liabilities - Town Receiver of Taxes Agency Fund	82,134,276	45,662,054	82,134,276	45,662,054
Total liabilities	<u>\$ 88,404,860</u>	<u>\$ 479,549,663</u>	<u>\$ 503,276,354</u>	<u>\$ 64,678,169</u>

STATISTICAL SECTION

TOWN OF SOUTHAMPTON OBJECTIVES OF STATISTICAL INFORMATION

This comprehensive statistical data for the Town includes, in some cases, statistical information for the villages, school Towns, and special Towns, which are not part of the Town reporting entity. It is intended to provide readers of this report with a broader and more complete understanding of the Town and its financial affairs than is possible from the financial statements and supplementary schedules included in the Financial Section. Many tables in this section cover several years for comparison purposes, and may present data from outside of the Town's accounting records. This part of the Town of Southampton's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information and other supplementary information says about the government's overall financial health.

Financial Trends

- These schedules contain information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

- These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

- These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

- These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

- These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

TOWN OF SOUTHAMPTON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year									
	2019	2018	(As Restated) 2017*	(As Restated) 2016**	2015	(As Restated) 2014***	(As Restated) 2013****	2012	2011	2010
GOVERNMENTAL ACTIVITIES:										
Net position -										
Net investment in capital assets	\$ 1,072,785,231	\$ 1,008,090,488	\$ 982,759,871	\$ 936,186,313	\$ 873,900,018	\$ 844,231,835	\$ 654,433,516	\$ 634,405,267	\$ 603,043,978	\$ 581,511,256
Restricted	97,261,664	124,549,788	96,751,673	93,815,382	113,569,969	95,112,199	87,166,036	62,529,907	74,783,204	55,806,221
Unrestricted	(258,092,564)	(247,661,150)	(238,648,262)	(58,909,108)	(54,215,358)	(58,433,011)	(62,713,908)	(56,527,123)	(58,103,583)	(16,226,201)
Total net position	<u>\$ 911,954,331</u>	<u>\$ 884,979,126</u>	<u>\$ 840,863,282</u>	<u>\$ 971,092,587</u>	<u>\$ 933,254,629</u>	<u>\$ 880,911,023</u>	<u>\$ 678,885,644</u>	<u>\$ 640,408,051</u>	<u>\$ 619,723,599</u>	<u>\$ 621,091,276</u>
BUSINESS-TYPE ACTIVITIES:										
Net position -										
Net investment in capital assets	\$ 17,491,678	\$ 15,882,708	\$ 16,448,771	\$ 17,051,685	\$ 16,884,481	\$ 16,682,301	\$ 16,569,181	\$ 14,584,547	\$ 14,506,695	\$ 14,385,599
Restricted	29,141	47,315	52,253	69,333	86,713	104,394	121,358	-	-	-
Unrestricted	2,321,171	3,813,522	3,293,050	2,385,069	2,318,523	2,456,476	1,696,425	1,435,967	1,062,184	(3,403,998)
Total net position	<u>\$ 19,841,990</u>	<u>\$ 19,743,545</u>	<u>\$ 19,794,074</u>	<u>\$ 19,506,087</u>	<u>\$ 19,289,717</u>	<u>\$ 19,243,171</u>	<u>\$ 18,386,964</u>	<u>\$ 16,020,514</u>	<u>\$ 15,568,879</u>	<u>\$ 10,981,601</u>
PRIMARY GOVERNMENT:										
Net position -										
Net investment in capital assets	\$ 1,090,276,909	\$ 1,023,973,196	\$ 999,208,642	\$ 953,237,998	\$ 890,784,499	\$ 860,914,136	\$ 671,002,697	\$ 648,989,814	\$ 617,550,673	\$ 595,896,855
Restricted	97,290,805	124,597,103	96,803,926	93,884,715	113,656,682	95,216,593	87,287,394	62,529,907	74,783,204	55,806,221
Unrestricted	(255,771,393)	(243,847,628)	(235,355,212)	(56,524,039)	(51,896,835)	(55,976,535)	(61,017,483)	(55,091,156)	(57,041,399)	(19,630,199)
Total net position	<u>\$ 931,796,321</u>	<u>\$ 904,722,671</u>	<u>\$ 860,657,356</u>	<u>\$ 990,598,674</u>	<u>\$ 952,544,346</u>	<u>\$ 900,154,194</u>	<u>\$ 697,272,608</u>	<u>\$ 656,428,565</u>	<u>\$ 635,292,478</u>	<u>\$ 632,072,877</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Southampton.

* - 2017 financial statements were restated to reflect the implementation of Governmental Accounting Standards Board other post-employment benefits requirements.

** - 2016 financial statements were restated to reflect the implementation of Governmental Accounting Standards Board service award program requirements.

*** - 2014 financial statements were restated to reflect the implementation of Governmental Accounting Standards Board pension requirements.

**** - 2013 financial statements were restated due to a change in reporting for the Trustees of the Freeholders.

**TOWN OF SOUTHAMPTON
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

	Fiscal Year									
	2019	2018	2017	2016	2015	(As Restated) 2014*	(As Restated) 2013**	2012	2011	2010
EXPENSES:										
Governmental activities:										
General governmental support	\$ 30,307,541	\$ 27,606,745	\$ 31,505,422	\$ 33,700,867	\$ 24,266,171	\$ 28,458,103	\$ 23,891,061	\$ 23,735,945	\$ 26,940,594	\$ 25,074,740
Public safety	54,633,234	52,396,830	49,981,090	46,553,861	42,493,599	41,732,622	35,628,311	32,672,478	39,135,250	31,543,786
Health	3,339,280	3,201,042	3,129,142	3,067,786	2,989,335	2,943,708	2,895,640	2,742,820	2,606,820	2,471,220
Transportation	11,372,242	12,399,397	13,268,204	12,428,053	12,740,333	12,747,929	24,374,926	23,067,768	25,946,066	23,815,305
Economic assistance and opportunity	6,218,747	5,523,552	5,431,458	5,824,936	5,877,403	5,030,414	4,667,705	4,194,245	4,493,983	3,126,172
Culture and recreation	6,291,551	5,665,045	5,560,779	4,831,447	4,536,438	4,692,914	5,638,303	6,375,416	8,779,126	7,438,142
Home and community services	16,974,727	16,138,172	17,458,105	15,894,394	14,686,485	15,385,752	14,790,555	13,857,100	16,478,801	15,196,972
Interest on debt	2,169,437	2,843,540	3,159,095	3,191,968	3,597,585	3,903,364	3,963,461	3,984,822	4,331,456	5,265,610
Total governmental activities	<u>131,306,759</u>	<u>125,774,323</u>	<u>129,493,295</u>	<u>125,493,312</u>	<u>111,187,349</u>	<u>114,894,806</u>	<u>115,849,962</u>	<u>110,630,594</u>	<u>128,712,096</u>	<u>113,931,947</u>
Business-type activities:										
Beaches and marinas	2,179,018	1,938,923	1,930,722	1,764,282	1,762,423	1,715,613	1,748,321	1,720,275	1,792,497	1,750,434
Waste management	2,598,622	2,441,617	2,463,066	2,399,762	2,246,507	2,060,833	2,438,130	2,401,370	2,478,696	2,476,343
Golf course	101,077	86,251	49,756	48,132	79,019	41,867	636,375	712,872	629,314	650,647
Total business-type activities	<u>4,878,717</u>	<u>4,466,791</u>	<u>4,443,544</u>	<u>4,212,176</u>	<u>4,087,949</u>	<u>3,818,313</u>	<u>4,822,826</u>	<u>4,834,517</u>	<u>4,900,507</u>	<u>4,877,424</u>
Total expenses	<u>136,185,476</u>	<u>130,241,114</u>	<u>133,936,839</u>	<u>129,705,488</u>	<u>115,275,298</u>	<u>118,713,119</u>	<u>120,672,788</u>	<u>115,465,111</u>	<u>133,612,603</u>	<u>118,809,371</u>
PROGRAM REVENUES:										
Governmental activities:										
Charges for services -										
General governmental support	1,064,212	1,083,762	1,004,372	1,323,093	821,385	826,664	910,917	2,390,682	1,410,236	1,255,590
Public safety	2,152,637	2,068,401	2,348,271	2,588,626	2,690,072	2,576,095	2,946,557	2,679,889	395,909	182,601
Transportation	1,259,421	1,095,150	1,064,444	1,026,561	1,017,836	1,043,920	1,006,871	864,140	874,274	684,058
Economic assistance and opportunity	-	985,849	985,621	938,368	934,721	847,723	880,127	-	-	-
Culture and recreation	19,000	33,737	22,730	20,055	37,170	40,061	55,938	57,502	51,209	62,559
Home and community services	7,190,394	7,741,402	7,547,677	7,334,205	7,181,918	7,163,186	5,706,851	6,206,789	5,738,767	5,721,557
Operating grants and contributions	52,995,032	59,664,615	61,882,374	62,112,570	66,401,212	70,647,232	64,285,558	44,489,319	46,193,967	42,090,351
Capital grants and contributions	1,951,601	5,366,999	2,200,128	2,767,546	2,453,459	1,819,374	3,568,519	831,877	1,045,638	235,547
Total governmental activities	<u>66,632,297</u>	<u>78,039,915</u>	<u>77,055,617</u>	<u>78,111,024</u>	<u>81,537,773</u>	<u>84,964,255</u>	<u>79,361,338</u>	<u>57,520,198</u>	<u>55,710,000</u>	<u>50,232,263</u>
Business-type activities:										
Charges for services -										
Beaches and marinas	2,233,004	2,102,048	2,091,578	2,105,931	2,180,432	1,809,694	1,693,806	1,833,090	1,702,160	1,633,128
Waste management	2,263,873	2,354,834	2,253,543	2,208,632	1,969,182	1,919,588	1,859,264	2,018,483	2,131,435	2,210,232
Golf course	193,272	355,202	187,420	190,571	145,042	134,532	655,867	670,047	618,645	547,325
Operating grants and contributions	44,676	15,324	-	31,546	31,109	782,905	207,864	265,849	53,642	54,563
Total business-type activities	<u>4,734,825</u>	<u>4,827,408</u>	<u>4,532,541</u>	<u>4,536,680</u>	<u>4,325,765</u>	<u>4,646,719</u>	<u>4,416,801</u>	<u>4,787,469</u>	<u>4,505,882</u>	<u>4,445,248</u>
Total program revenues	<u>71,367,122</u>	<u>82,867,323</u>	<u>81,588,158</u>	<u>82,647,704</u>	<u>85,863,538</u>	<u>89,610,974</u>	<u>83,778,139</u>	<u>62,307,667</u>	<u>60,215,882</u>	<u>54,677,511</u>
Net (expense)/revenue	<u>\$ (64,818,354)</u>	<u>\$ (47,373,791)</u>	<u>\$ (52,348,681)</u>	<u>\$ (47,057,784)</u>	<u>\$ (29,411,760)</u>	<u>\$ (29,102,145)</u>	<u>\$ (36,894,649)</u>	<u>\$ (53,157,444)</u>	<u>\$ (73,396,721)</u>	<u>\$ (64,131,860)</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Southampton.

* - 2014 financial statements were restated to reflect the implementation of Governmental Accounting Standards Board pension requirements.

** - 2013 financial statements were restated due to a change in reporting for the Trustees of the Freeholders.

TOWN OF SOUTHAMPTON
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	(As Restated) 2014*	(As Restated) 2013**	2012	2011	2010
NET (EXPENSE)/REVENUE:										
Governmental activities	\$ (64,674,462)	\$ (47,734,408)	\$ (52,437,678)	\$ (47,382,288)	\$ (29,649,576)	\$ (29,930,551)	\$ (36,488,624)	\$ (53,110,396)	\$ (73,002,096)	\$ (63,699,684)
Business-type activities	(143,892)	360,617	88,997	324,504	237,816	828,406	(406,025)	(47,048)	(394,625)	(432,176)
Net (expense)/revenue	<u>\$ (64,818,354)</u>	<u>\$ (47,373,791)</u>	<u>\$ (52,348,681)</u>	<u>\$ (47,057,784)</u>	<u>\$ (29,411,760)</u>	<u>\$ (29,102,145)</u>	<u>\$ (36,894,649)</u>	<u>\$ (53,157,444)</u>	<u>\$ (73,396,721)</u>	<u>\$ (64,131,860)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:										
Governmental activities:										
Real property taxes	\$ 76,352,093	\$ 73,419,542	\$ 70,404,024	\$ 68,141,179	\$ 66,242,804	\$ 65,501,711	\$ 62,863,930	\$ 63,259,796	\$ 61,685,290	\$ 62,263,733
Other real property tax items	702,499	584,630	725,072	606,740	617,813	599,919	577,961	536,486	569,203	536,037
Non-property tax items	1,866,166	1,898,978	1,907,161	1,846,425	1,700,658	1,643,124	1,530,975	1,431,473	1,424,315	1,350,747
Interest earnings	4,226,810	3,371,457	1,610,440	1,111,137	1,034,392	685,415	580,245	617,034	687,758	720,489
State aid-unrestricted	7,866,061	11,432,391	12,511,102	12,173,071	11,908,460	10,477,475	10,418,900	7,893,931	8,193,369	8,053,994
Sale of property and compensation for loss	336,038	406,399	494,235	881,314	107,062	73,160	137,893	-	-	-
Miscellaneous	-	47,059	-	45,380	38,132	90,962	15,044	76,214	2,720,844	4,295,472
Transfers	300,000	689,796	300,000	415,000	343,861	500,000	(250,728)	(20,086)	(3,646,360)	(427,733)
Total governmental activities	<u>91,649,667</u>	<u>91,850,252</u>	<u>87,952,034</u>	<u>85,220,246</u>	<u>81,993,182</u>	<u>79,571,766</u>	<u>75,874,220</u>	<u>73,794,848</u>	<u>71,634,419</u>	<u>76,792,739</u>
Business-type activities:										
Real property taxes	510,713	250,195	101,162	296,415	142,807	523,037	475,640	476,900	1,333,287	492,017
Interest earnings	31,624	28,455	17,013	10,451	9,784	9,457	4,080	1,697	2,256	3,200
Transfer of capital assets	-	-	-	-	-	-	2,042,027	-	-	-
Transfers	(300,000)	(689,796)	(300,000)	(415,000)	(343,861)	(500,000)	250,728	20,086	3,646,360	427,733
Total business-type activities	<u>242,337</u>	<u>(411,146)</u>	<u>(181,825)</u>	<u>(108,134)</u>	<u>(191,270)</u>	<u>32,494</u>	<u>2,772,475</u>	<u>498,683</u>	<u>4,981,903</u>	<u>922,950</u>
Total general revenues and other changes in net position	<u>\$ 91,892,004</u>	<u>\$ 91,439,106</u>	<u>\$ 87,770,209</u>	<u>\$ 85,112,112</u>	<u>\$ 81,801,912</u>	<u>\$ 79,604,260</u>	<u>\$ 78,646,695</u>	<u>\$ 74,293,531</u>	<u>\$ 76,616,322</u>	<u>\$ 77,715,689</u>
CHANGE IN NET POSITION:										
Governmental activities	\$ 26,975,205	\$ 44,115,844	\$ 35,514,356	\$ 37,837,958	\$ 52,343,606	\$ 49,641,215	\$ 39,385,596	\$ 20,684,452	\$ (1,367,677)	\$ 13,093,055
Business-type activities	98,445	(50,529)	(92,828)	216,370	46,546	860,900	2,366,450	451,635	4,587,278	490,774
Total change in net position	<u>\$ 27,073,650</u>	<u>\$ 44,065,315</u>	<u>\$ 35,421,528</u>	<u>\$ 38,054,328</u>	<u>\$ 52,390,152</u>	<u>\$ 50,502,115</u>	<u>\$ 41,752,046</u>	<u>\$ 21,136,087</u>	<u>\$ 3,219,601</u>	<u>\$ 13,583,829</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Southampton.

* - 2014 financial statements were restated to reflect the implementation of Governmental Accounting Standards Board pension requirements.

** - 2013 financial statements were restated due to a change in reporting for the Trustees of the Freeholders.

**TOWN OF SOUTHAMPTON
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	(As Restated) 2013*	2012	2011**	2010
GENERAL FUND:										
Nonspendable	\$ 2,345,959	\$ 2,307,574	\$ 2,175,894	\$ 1,924,365	\$ 1,890,447	\$ 1,934,210	\$ 1,420,951	\$ 1,317,335	\$ 1,318,259	
Restricted	4,821,048	4,749,806	4,667,487	4,486,637	4,388,779	4,505,755	7,131,432	6,405,740	6,529,348	
Assigned	681,217	644,055	618,353	551,490	576,131	381,197	766,818	1,064,819	465,926	
Unassigned	15,861,775	15,462,885	14,955,858	13,306,619	9,762,190	7,503,015	4,650,750	5,786,071	4,635,599	
Total general fund	<u>\$ 23,709,999</u>	<u>\$ 23,164,320</u>	<u>\$ 22,417,592</u>	<u>\$ 20,269,111</u>	<u>\$ 16,617,547</u>	<u>\$ 14,324,177</u>	<u>\$ 13,969,951</u>	<u>\$ 14,573,965</u>	<u>\$ 12,949,132</u>	
ALL OTHER GOVERNMENTAL FUNDS:										
Nonspendable	\$ 2,239,774	\$ 1,945,337	\$ 1,945,701	\$ 1,780,237	\$ 1,782,849	\$ 1,850,522	\$ 1,437,253	\$ 1,383,478	\$ 1,529,744	
Restricted	92,440,616	119,799,982	92,084,186	89,328,745	109,181,190	90,606,444	78,877,301	56,124,167	68,253,856	
Committed	55,000	55,000	760,000	1,000,000	-	-	-	-	-	
Assigned	12,475,854	12,910,795	12,934,065	12,583,477	11,478,174	10,777,837	10,858,328	5,747,317	3,999,525	
Unassigned	-	-	-	-	-	-	(308,871)	-	(81,441)	
Total all other governmental funds	<u>\$ 107,211,244</u>	<u>\$ 134,711,114</u>	<u>\$ 107,723,952</u>	<u>\$ 104,692,459</u>	<u>\$ 122,442,213</u>	<u>\$ 103,234,803</u>	<u>\$ 90,864,011</u>	<u>\$ 63,254,962</u>	<u>\$ 73,701,684</u>	
GENERAL FUND:										
Reserved										\$ 5,725,525
Unreserved										<u>8,280,158</u>
Total general fund										<u>\$ 14,005,683</u>
ALL OTHER GOVERNMENTAL FUNDS:										
Reserved										\$ 50,448,390
Unreserved reported in:										
Other major funds										1,652,707
Special revenue funds										10,379,095
Capital projects funds										<u>334,683</u>
Total all other governmental funds										<u>\$ 62,814,875</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Southampton.

* - 2013 financial statements were restated due to a change in reporting for the Trustees of the Freeholders.

** - 2011 financial statements adopted Governmental Accounting Standards Board Statement No. 54.

TOWN OF SOUTHAMPTON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	(As Restated)* 2013	2012	2011	2010
Revenues:										
Real property taxes	\$ 76,352,093	\$ 73,419,542	\$ 70,404,024	\$ 68,141,179	\$ 66,242,804	\$ 65,501,711	\$ 62,863,930	\$ 63,259,796	\$ 61,685,290	\$ 62,263,733
Other real property tax items	702,499	584,630	725,072	606,740	617,813	599,919	577,961	536,486	569,203	536,037
Non-property tax items	45,113,969	55,838,647	58,447,259	56,929,890	62,361,375	66,753,241	59,589,487	39,496,331	40,642,767	35,576,544
Special assessments	88,194	13,063	13,063	33,153	37,170	40,061	47,335	47,332	51,209	62,559
Departmental income	5,738,572	5,760,587	5,513,435	5,770,294	5,546,890	8,561,846	7,211,022	7,693,286	6,692,946	6,702,258
Intergovernmental charges	1,137,627	1,062,687	1,032,581	973,208	1,000,083	1,031,520	1,006,871	864,140	987,806	684,058
Use of money and property	4,226,810	3,371,457	1,610,440	1,111,137	1,034,392	685,415	580,245	617,034	687,758	720,489
License and permits	3,547,347	4,049,498	4,061,752	3,923,764	3,501,659	428,117	548,264	415,965	346,345	288,217
Fines and forfeitures	1,173,924	1,136,616	1,366,663	1,592,122	1,662,579	1,588,383	1,813,642	1,857,009	1,784,553	1,835,927
Sale of property and compensation for loss	336,038	406,399	494,235	881,314	107,062	73,160	164,755	19,186	34,872	262,688
Miscellaneous local sources	1,531,124	2,809,302	1,188,104	1,846,152	2,137,411	1,824,346	2,256,831	2,418,601	1,492,190	3,985,516
State aid	13,449,521	15,400,987	15,949,205	15,064,146	13,842,477	12,196,339	10,535,956	9,238,136	10,769,638	8,955,588
Federal aid	4,518,617	5,291,905	4,400,586	5,738,549	5,103,507	5,097,358	7,153,799	4,843,167	4,726,149	5,143,552
Total revenues	157,916,335	169,145,320	165,206,419	162,611,648	163,195,222	164,381,416	154,350,098	131,306,469	130,470,726	127,017,166
Expenditures:										
Current:										
General governmental support	52,262,675	37,974,011	64,216,649	82,462,576	48,711,714	56,863,297	45,197,974	54,379,864	41,188,029	24,779,811
Public safety	24,173,714	24,298,516	22,247,878	21,805,311	21,016,582	20,041,887	19,315,488	19,406,028	18,527,638	19,067,239
Health	3,339,280	3,201,042	3,129,142	3,067,786	2,989,335	2,943,708	2,895,640	2,742,820	2,606,820	2,471,220
Transportation	8,624,913	8,471,095	8,489,390	8,165,615	8,174,330	8,035,861	7,100,595	6,366,143	7,087,272	7,444,043
Economic assistance and opportunity	3,583,657	3,335,913	2,838,758	3,391,014	3,503,342	2,721,431	2,967,560	3,123,002	2,692,752	2,107,374
Culture and recreation	3,391,777	3,181,592	3,115,441	2,780,523	2,680,457	2,886,959	3,155,588	4,141,028	4,241,038	4,375,822
Home and community services	11,086,899	10,832,074	10,968,872	10,689,641	10,299,975	15,175,424	28,560,085	10,393,391	10,390,084	10,236,731
Employee benefits	27,846,413	27,444,712	26,063,269	24,616,712	23,871,365	23,813,336	26,958,754	20,363,214	20,122,235	17,218,161
Capital outlay	25,241,495	14,563,444	8,299,668	10,768,144	7,754,713	5,436,843	4,905,920	6,004,465	9,695,990	6,878,197
Debt service -										
Principal	37,957,198	14,808,120	14,215,372	13,985,390	13,944,153	14,100,073	12,399,576	11,080,636	10,549,825	11,687,500
Interest	2,838,889	3,296,880	3,619,544	3,861,048	4,111,638	4,400,806	4,032,820	4,286,344	4,274,478	4,833,281
Total expenditures	200,346,910	151,407,399	167,203,983	185,593,760	147,057,604	156,419,625	157,490,000	142,286,935	131,376,161	111,099,379
Excess (deficiency) of revenues over (under) expenditures	(42,430,575)	17,737,921	(1,997,564)	(22,982,112)	16,137,618	7,961,791	(3,139,902)	(10,980,466)	(905,435)	15,917,787
Other financing sources (uses):										
Payment to refunded bond escrow agent	(12,109,000)	-	-	-	(3,996,598)	(13,058,151)	-	(16,539,554)	-	(10,500,569)
Refunding bond issuance	11,186,320	-	-	-	3,725,099	12,079,286	-	14,418,530	-	9,430,000
Serial bond issuance	13,432,000	8,876,000	6,818,000	8,320,000	4,873,500	4,200,000	29,350,000	2,150,000	13,862,000	20,345,000
Premium on obligations	1,049,216	245,173	59,538	148,922	417,300	1,042,092	1,008,668	2,149,687	376,128	1,070,569
Proceeds of installment purchase debt	1,617,848	-	-	-	-	-	-	-	-	-
Interfund transfers in	12,150,476	11,886,420	6,032,405	2,359,627	5,220,901	4,087,066	4,851,356	2,393,500	2,422,820	3,615,996
Interfund transfers out	(11,850,476)	(11,196,624)	(5,732,405)	(1,944,627)	(4,877,040)	(3,587,066)	(5,102,084)	(2,413,586)	(6,069,180)	(4,043,729)
Bond anticipation notes redeemed from appropriations	-	185,000	-	-	-	-	945,000	-	143,925	70,000
Total other financing sources (uses)	15,476,384	9,995,969	7,177,538	8,883,922	5,363,162	4,763,227	31,052,940	2,158,577	10,735,693	19,987,267
Net change in fund balances	\$ (26,954,191)	\$ 27,733,890	\$ 5,179,974	\$ (14,098,190)	\$ 21,500,780	\$ 12,725,018	\$ 27,913,038	\$ (8,821,889)	\$ 9,830,258	\$ 35,905,054
Debt service as a percentage of noncapital expenditures	28.65%	15.86%	15.87%	15.96%	17.12%	16.99%	15.32%	15.65%	15.57%	17.39%

Source: Office of the Comptroller and the audited financial statements of the Town of Southampton.

* In 2014, the Town changed the presentation of one of their two component units. Amounts reported in 2013 were restated to reflect the change in presentation.

TOWN OF SOUTHAMPTON
ASSESSED VALUE, EQUALIZATION RATE AND ESTIMATED FULL VALUE OF REAL PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Condo and Co-Op Property	Utility and Special Franchise	Commercial Property	Total Taxable Assessed Valuation	State Equalization Rate	Full Valuation	Total Effective Tax Rate*
2019	\$ 60,289,409,512	\$ 703,698,757	\$ 378,493,119	\$ 2,442,837,263	\$ 67,002,257,604	100.00%	\$ 67,002,257,604	1.38
2018	57,719,930,156	652,362,554	355,714,183	2,484,309,994	63,690,793,873	100.00%	63,690,793,873	1.39
2017	56,292,610,956	652,837,263	342,192,033	2,243,590,101	60,685,008,854	100.00%	60,685,008,854	1.42
2016	53,603,516,352	753,232,777	324,878,941	2,888,884,976	57,714,211,253	100.00%	57,714,211,253	1.45
2015	51,629,656,232	674,400,483	318,771,198	2,886,676,483	55,698,279,015	100.00%	55,698,279,015	1.40
2014	48,136,241,163	653,305,392	359,589,779	2,910,810,381	55,022,618,428	100.00%	55,022,618,428	1.43
2013	48,483,708,541	658,630,789	336,723,277	2,362,232,070	55,861,991,485	100.00%	55,861,991,485	1.42
2012	48,548,282,347	677,866,346	335,332,412	2,386,324,938	55,860,526,117	100.00%	55,860,526,117	1.36
2011	47,208,430,906	609,171,656	336,538,380	2,424,623,298	54,445,058,850	100.00%	54,445,058,850	1.35
2010	45,695,742,348	568,920,040	332,080,500	2,393,991,338	52,803,053,580	100.00%	52,803,053,580	1.38

* The Town has a complex rate structure that would make the calculation of a direct tax rate extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The Town substituted an effective tax rate instead.

Source: Office of the Comptroller.

Note: Years 2010-2015 reflect reassessment to full valuation expressed as per \$1,000 of Assessed Valuation.

TOWN OF SOUTHAMPTON
PROPERTY TAX RATES, DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Rate per \$1,000 of Assessed Value)

Fiscal Year	Total Effective Tax Rate*	Overlapping Rates			
		School Districts and Libraries - Range			Suffolk County
2019	1.38	0.02	-	22.88	0.18
2018	1.39	0.03	-	23.56	0.19
2017	1.42	0.03	-	23.22	0.20
2016	1.45	0.03	-	24.05	0.19
2015	1.40	0.03	-	23.40	0.21
2014	1.43	0.03	-	22.90	0.20
2013	1.42	0.02	-	21.34	0.20
2012	1.36	0.02	-	20.45	0.21
2011	1.35	0.02	-	18.34	0.21
2010	1.38	0.03	-	15.62	0.18

* The Town has a complex rate structure that would make the calculation of a direct tax rate extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The Town substituted an effective tax rate instead.

Source: Office of the Comptroller and Official Statements of the Town of Southampton.

**TOWN OF SOUTHAMPTON
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

2019			
Name	Type	Assessed Valuation	Percentage of Total Taxable Assessed Valuation
Blue Turtles, Inc.	Estate	\$ 262,546,600	0.39%
PSEG Long Island	Utility	229,570,489	0.34%
National Grid	Utility	102,542,925	0.15%
Yumi & The Kids LLC	Commercial	74,763,200	0.11%
Leon D Black	Estate	68,705,500	0.10%
Stem Partners, LLC	Commercial	65,810,200	0.10%
Daniel Sundheim	Estate	58,125,300	0.09%
Three Ponds Farm Owner LLC	Estate	57,231,700	0.09%
Hampton Center Realty LLC	Commercial	55,465,000	0.08%
650 Meadow Lane LLC	Estate	54,275,000	0.08%
2010			
Name	Type	Assessed Valuation	Percentage of Total Taxable Assessed Valuation
Blue Turtles, Inc.	Estate	\$ 240,569,000	0.46%
PSEG Long Island	Utility	184,088,387	0.35%
National Grid	Utility	71,100,292	0.13%
Leon D Black	Estate	58,571,700	0.11%
Hampton Center Realty LLC	Commercial	55,465,000	0.11%
Three Ponds Farm Owner LLC	Estate	53,664,900	0.10%
Yumi & The Kids LLC	Commercial	49,884,200	0.09%
Verizon New York	Utility	49,647,887	0.09%
Hamptons Real Property LLC	Commercial	45,662,400	0.09%
Stephen Perl binder	Estate	44,416,800	0.08%

Source: Office of the Comptroller and the Official Statements of the Town of Southampton.

**TOWN OF SOUTHAMPTON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Tax Levy:										
General Town	\$ 26,261,879	\$ 24,509,869	\$ 22,914,270	\$ 21,796,989	\$ 21,007,380	\$ 21,416,522	\$ 21,907,868	\$ 22,048,728	\$ 24,288,157	\$ 23,471,265
Police	23,989,023	22,847,542	22,097,741	21,618,749	20,966,728	20,238,896	19,717,477	19,510,509	18,787,061	19,122,882
Emergency Dispatching - E911	2,662,503	2,538,324	2,337,186	2,174,475	2,142,364	2,059,311	2,056,667	2,154,216	2,163,471	2,163,032
Zoning	1,344,988	1,330,773	1,249,150	1,327,298	1,854,200	2,130,885	2,170,133	1,757,858	907,216	1,591,613
Highway	13,018,878	12,986,612	12,697,210	12,422,647	11,571,887	11,059,879	11,048,231	11,458,980	10,757,440	10,203,992
Fire and Fire Protection Districts	16,018,328	15,574,785	14,568,468	14,436,406	13,566,410	12,744,610	12,548,005	12,111,213	12,302,370	12,282,939
Lighting District	498,173	563,153	563,580	558,919	571,833	602,374	575,831	556,046	564,747	553,783
Water Districts	1,264,467	1,375,036	1,282,789	1,250,684	1,126,131	1,181,369	1,122,575	1,132,073	1,082,775	1,111,611
Miscellaneous Special Districts	7,579,411	7,283,346	6,465,925	6,392,002	6,996,235	6,506,283	5,616,172	4,484,099	4,337,653	4,302,159
School and Library Districts	272,551,360	261,267,169	254,759,973	249,613,770	245,197,938	242,270,737	230,856,616	230,672,394	221,311,943	212,480,335
County of Suffolk	17,477,881	14,621,325	18,966,500	17,270,445	19,994,927	18,384,417	19,211,414	15,869,036	16,688,892	14,148,089
Other Items	626,254	601,604	1,759,381	1,655,959	905,306	1,890,029	819,935	991,121	714,871	518,619
Total tax levy	\$383,293,145	\$365,499,538	\$359,662,173	\$350,518,343	\$345,901,339	\$340,485,312	\$327,650,924	\$322,746,273	\$313,906,596	\$301,950,319
Amount Collected	\$366,566,473	\$351,610,634	\$341,855,504	\$326,724,516	\$324,507,864	\$315,005,317	\$307,538,277	\$297,658,185	\$286,195,281	\$271,663,915
Percentage Collected	95.64%	96.20%	95.05%	93.21%	93.82%	92.52%	93.86%	92.23%	91.17%	89.97%
Amount Uncollected	\$ 16,726,672	\$ 13,888,904	\$ 17,806,669	\$ 23,793,827	\$ 21,393,475	\$ 25,479,995	\$ 20,112,647	\$ 25,088,088	\$ 27,711,315	\$ 30,286,404
Percent Uncollected	4.36%	3.80%	4.95%	6.79%	6.18%	7.48%	6.14%	7.77%	8.83%	10.03%

Source: Office of the Comptroller and the Official Statements of the Town of Southampton.

**TOWN OF SOUTHAMPTON
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Total Debt Per Capita (1)
	General Obligation Bonds, Net	Special Assessment Bonds	Installment Purchase Debt	General Obligation Bonds, Net				
2019	\$ 75,464,443	\$ 871,168	\$ 1,617,848	\$ 7,748,888	\$ 85,702,347	2.79%	\$ 1,478	
2018	100,370,325	939,246	-	6,881,846	108,191,417	3.96%	1,865	
2017	107,279,726	54,366	-	5,950,011	113,284,103	4.18%	1,960	
2016	115,117,251	67,486	-	5,950,126	121,134,863	4.83%	2,098	
2015	121,160,890	100,077	-	6,402,941	127,663,908	5.18%	2,233	
2014	130,246,420	133,289	3,072,700	6,970,455	140,422,864	5.58%	2,456	
2013	136,937,548	171,711	6,572,700	7,525,740	151,207,699	5.29%	2,655	
2012	119,044,624	169,211	10,072,700	7,846,164	137,132,699	5.61%	2,415	
2011	129,537,011	202,031	13,572,700	8,600,958	151,912,700	4.92%	2,675	
2010	126,399,762	246,638	-	8,573,600	135,220,000	4.27%	2,229	

Source: Office of the Comptroller, Official Statements and the audited financial statements of the Town of Southampton.

(1) - See the schedule of Demographic and Economic Statistics for personal income and population

**TOWN OF SOUTHAMPTON
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Taxable Assessed Valuation	Gross Bonded Debt	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2019	57,975	\$ 67,002,257,604	\$ 84,084,499	\$ 80,682,000	0.12%	\$ 1,392
2018	58,024	63,690,793,873	108,191,417	105,355,000	0.17%	1,816
2017	57,803	60,685,008,854	113,284,103	106,227,324	0.18%	1,906
2016	57,730	57,714,211,253	121,134,863	113,940,032	0.20%	1,974
2015	57,180	55,698,279,015	127,663,908	120,242,091	0.22%	2,103
2014	57,180	55,022,618,428	137,350,164	127,195,816	0.23%	2,224
2013	56,960	55,861,991,485	144,634,999	132,728,634	0.24%	2,330
2012	56,790	55,860,526,117	127,059,999	115,171,283	0.21%	2,028
2011	56,800	54,445,058,850	138,340,000	126,719,677	0.23%	2,231
2010	60,668	52,803,053,580	135,220,000	129,584,853	0.25%	2,136

Source: Office of the Comptroller and the Official Statements of the Town of Southampton.

Note: Population numbers come from the LIPA Population Survey, except 2012 - 2016 figures, which were derived from the Town of Southampton's Assessor's Office.

**TOWN OF SOUTHAMPTON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2019**

Governmental Unit		Gross Indebtedness	Estimated Exclusions	Net Indebtedness	Percentage Applicable	Applicable Net Indebtedness
Town of Southampton	12/31/2019	\$ 82,299,848	\$ 3,726,032	\$ 78,573,816	100.00%	<u>\$ 78,573,816</u>
Total direct debt						<u>78,573,816</u>
County of Suffolk	12/31/2019	1,361,650,000	158,000	1,361,492,000	22.87%	311,373,220
Villages:						
Quogue	5/31/2019	215,000	-	215,000	100.00%	215,000
Sagaponack	5/31/2019	465,000	-	465,000	100.00%	465,000
Sag Harbor	5/31/2019	2,057,994	-	2,057,994	60.00%	1,234,796
Southampton	5/31/2019	9,105,000	-	9,105,000	100.00%	9,105,000
Westhampton Beach	5/31/2019	725,000	-	725,000	100.00%	725,000
Westhampton Dunes	5/31/2019	1,065,000	-	1,065,000	100.00%	1,065,000
School Districts:						
Bridgehampton	6/30/2019	29,240,000	2,924,000	26,316,000	100.00%	26,316,000
East Quogue	6/30/2019	8,105,000	810,500	7,294,500	100.00%	7,294,500
Eastport-South Manor	6/30/2019	105,520,000	81,778,000	23,742,000	10.71%	2,542,768
Hampton Bays	6/30/2019	38,065,000	3,806,500	34,258,500	100.00%	34,258,500
Riverhead	6/30/2019	66,185,000	22,767,640	43,417,360	14.73%	6,395,377
Sag Harbor	6/30/2019	19,978,500	1,997,850	17,980,650	88.51%	15,914,673
Southampton	6/30/2019	27,950,000	2,795,000	25,155,000	100.00%	25,155,000
Tuckahoe	6/30/2019	-	-	-	100.00%	-
Wainscott	6/30/2019	345,000	34,500	310,500	4.79%	14,872
Westhampton Beach	6/30/2019	19,690,000	1,969,000	17,721,000	100.00%	17,721,000
Fire Districts:						
Bridgehampton	12/31/2019	2,275,000	-	2,275,000	100.00%	2,275,000
Eastport	12/31/2019	8,508	-	8,508	50.00%	4,254
Flanders	12/31/2019	405,421	-	405,421	100.00%	405,421
Riverhead	12/31/2019	6,500,000	-	6,500,000	4.44%	288,600
Westhampton Beach	12/31/2019	<u>13,310,000</u>	<u>-</u>	<u>13,310,000</u>	100.00%	<u>13,310,000</u>
Total overlapping debt						<u>476,078,981</u>
Total direct and overlapping debt		<u>\$ 1,795,160,271</u>	<u>\$ 122,767,022</u>	<u>\$ 1,672,393,249</u>		<u>\$ 554,652,797</u>
Per Capita						<u>\$ 9,567</u>

Source: Office of the Comptroller and the Official Statements of the applicable authorities.

Note: The taxpayers share of overlapping debt is based upon the amount of the Town's equalized property values taken as a percentage of each separate units' total values.

**TOWN OF SOUTHAMPTON
DEBT LIMIT MARGIN INFORMATION
DECEMBER 31, 2019**

	Years Ended December 31,	Assessed Valuation	State Equalization Rate	Full Valuation	
	2019	\$ 67,002,257,604	100.00%	\$ 67,002,257,604	
	2018	63,690,793,873	100.00%	63,690,793,873	
	2017	60,685,008,854	100.00%	60,685,008,854	
	2016	57,714,211,253	100.00%	57,714,211,253	
	2015	55,698,279,015	100.00%	55,698,279,015	
Total Five Year Full Valuation				304,790,550,599	
Average Five Year Full Valuation				60,958,110,120	
Debt Limit - 7% of Average Full Valuation				\$ 4,267,067,708	(a)
Inclusions:					
Outstanding Bonds				\$ 84,084,499	
Total Inclusions				84,084,499	
Exclusions:					
Water Debt				3,726,032	
Total Exclusions				3,726,032	
Total Net Indebtedness Subject to the Debt Limit				\$ 80,358,467	(b)
Net Debt Contracting Margin				\$ 4,186,709,241	(a) - (b)
Percent of Debt Limit Exhausted				1.88%	(b)/(a)

Last Ten Years							Percent of Net
Year	Constitutional Debt Limit	Outstanding Indebtedness December 31	Less: Exclusions	Indebtedness Subject to Debt Limit	Net Contracting Margin		Debt Contracting Margin Available
2019	\$ 4,267,067,708	\$ 84,084,499	\$ 3,726,032	\$ 80,358,467	\$ 4,186,709,241		98.12%
2018	4,099,352,760	109,796,417	4,385,129	105,411,288	3,993,941,472		97.43%
2017	3,989,749,526	115,074,103	5,018,005	110,056,098	3,879,693,428		97.24%
2016	3,922,206,768	120,751,640	5,636,300	115,115,340	3,810,283,068		97.15%
2015	3,922,206,768	126,999,140	5,473,275	121,525,865	3,800,680,903		96.90%
2014	3,876,438,635	133,359,998	14,715,450	118,644,548	3,757,794,087		96.94%
2013	3,835,961,478	144,634,999	14,443,755	130,191,244	3,705,770,234		96.61%
2012	3,851,036,642	127,059,999	7,349,903	119,710,096	3,731,326,546		96.89%
2011	3,753,800,763	138,340,000	15,493,460	122,846,540	3,630,954,223		96.73%
2010	3,458,274,451	135,220,000	5,235,245	129,984,755	3,328,289,696		96.24%

Source: Office of the Comptroller and the Official Statements of the Town of Southampton.

**TOWN OF SOUTHAMPTON
DEMOGRAPHICS AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Income (millions of dollars)	Per Capita Income	Unemployment Rate	Year-Round Households Estimate	Household Size Estimates	Population Density Per Square Mile (1)
2019	57,975	\$ 3,067	\$ 52,902	4.10%	21,491	2.55	413.52
2018	58,024	2,729	47,032	4.40%	21,204	2.55	413.87
2017	57,803	2,710	46,883	4.60%	21,983	2.62	412.29
2016	57,730	2,710	46,943	4.60%	21,735	2.46	411.77
2015	57,180	2,710	47,394	5.10%	21,735	2.46	407.85
2014	57,180	2,710	47,394	5.60%	21,735	2.46	407.85
2013	56,960	2,710	47,577	6.60%	21,735	2.46	406.28
2012	56,790	2,710	47,720	8.10%	21,735	2.60	405.06
2011	56,800	2,710	47,711	7.60%	21,419	2.59	405.14
2010	60,668	2,895	47,719	7.80%	23,219	2.51	432.72

(1) Calculation based off of 140.2 square miles obtained from the Town Clerk's office.

Sources: Office of the Comptroller and the Official Statements of the Town of Southampton, and the American Community Survey 5-Year Estimate

**TOWN OF SOUTHAMPTON
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

2019

Rank	Name	Headquarters	Type of Business	Number of Employees	Percentage of Total Town's Employment
1	Southampton Hospital	Southampton	Hospital	1,200	2.07%
2	Southampton Union Free School District	Southampton	School District	523	0.90%
3	Town of Southampton	Southampton	Local Government	507	0.87%
4	Corcoran Group	Bridgehampton	Real Estate	350	0.60%
5	Bridgehampton National Bank	Hampton Bays	Commercial Banks	245	0.42%
6	Dunn Engineering	Bridgehampton	Engineering	100	0.17%
7	Maran Corporate Risk Associates	Westhampton Beach	Insurance	93	0.16%
8	Southampton Inn	Westhampton Beach	Hospitality	90	0.16%
9	Southampton Press	Southampton/East Hampton	Newspaper	50	0.09%
10	Hampton Coach	Southampton	Limousine Service	50	0.09%
				3,208	5.53%

2010

Rank	Name	Headquarters	Type of Business	Number of Employees	Percentage of Total Town's Employment
1	Southampton Hospital	Southampton	Hospital	650	1.09%
2	Town of Southampton	Southampton	Municipality	552	1.00%
3	Corcoran Group	Bridgehampton	Real Estate	400	0.67%
4	Bridgehampton National Bank	Bridgehampton	Bank	190	0.32%
5	Dominican Sisters Family Health Services	Hampton Bays	Home Health Agency	96	0.16%
6	Southampton Press	Westhampton Beach	Newspaper	74	0.12%
7	Dunn Engineering	Southampton	Engineering	72	0.12%
8	Storms Motors	Southampton	Automotive Dealership	65	0.11%
9	Maran Corporate Risk Associates	Southampton	Insurance	53	0.09%
10	Hampton Coach	Southampton	Limousine Service	40	0.07%
				2,192	3.75%

Source: Office of the Comptroller and the Official Statements of the Town of Southampton.

**TOWN OF SOUTHAMPTON
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Function:										
General Government	220	220	225	221	204	212	221	219	219	224
Justice and Law Enforcement	159	161	167	165	158	158	135	132	140	145
Public Works	61	61	64	67	62	61	99	99	104	104
Environment, Parks and Education	26	31	23	27	24	26	18	16	18	20
Health and Human Services	41	40	38	39	38	37	39	40	42	47
Total	507	513	517	519	486	494	512	506	523	540

Source: Office of the Comptroller and the Official Statements of the Town of Southampton.

**TOWN OF SOUTHAMPTON
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Function:										
Public Safety -										
Building										
Residential building permits issued	5,794	6,869	6,864	6,526	6,294	6,232	5,588	4,979	4,526	3,765
Commercial building permits issued	88	75	44	44	45	70	35	40	48	55
Police										
Physical arrests	1,533	1,893	2,142	1,039	1,813	2,125	2,141	2,172	2,512	2,588
Traffic and parking violations	12,163	13,653	15,680	15,558	14,640	13,530	16,390	17,631	19,479	20,383
Fire										
Number of fire protection districts	3	3	3	3	3	3	3	3	3	3
Number of calls answered	5,938	5,713	5,844	5,847	4,826	5,265	5,030	5,207	4,997	5,017
Inspections	1,800	2,014	1,527	1,467	1,355	1,458	1,029	1,144	1,238	1,275
Health -										
Number of ambulance districts	4	4	4	4	4	4	4	4	4	4
Transportation -										
Highway and streets										
Street resurfacing (miles)	18	18	17	19	15	20	23	24	22	23
Culture and recreation -										
Beach permits issued	46,143	41,656	42,662	43,774	45,775	43,666	41,282	43,609	42,828	42,340
Registration for summer programs	1,659	1,755	1,820	1,994	2,006	2,126	2,335	2,502	3,024	2,989
Home and Community Service -										
Sanitation										
Refuse collected (tons/day)	17.56	19.50	20.20	20.95	19.62	19.05	18.48	18.03	18.54	18.36
Recyclables collected (tons/day)	9.75	10.40	10.75	10.98	11.08	11.04	10.95	11.23	11.83	11.50
Water										
Average daily consumption (thousands of gallons)	2,941	3,004	2,958	3,200	3,300	2,800	2,700	2,500	2,300	2,600

Source: Various departments of the Town of Southampton.

TOWN OF SOUTHAMPTON
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Function:										
Public Safety -										
Municipal buildings	35	35	35	30	30	30	30	29	29	29
Preserved acreage	4,511	4,435	4,380	4,246	3,886	3,795	3,643	3,500	3,197	3,006
Public Safety -										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	104	105	105	99	93	93	90	104	104	104
Health -										
Number of ambulance districts	4	4	4	4	4	4	4	4	4	4
Transportation -										
Highways and streets										
Number of street lighting districts	9	9	9	9	9	9	9	9	9	9
Streets (miles)	456	456	456	456	456	456	456	456	455	453
Streetlights	2,585	2,578	2,734	2,729	2,727	2,727	2,724	2,714	2,714	2,714
Traffic signals (1)	46	36	36	36	32	32	31	31	31	31
Culture and recreation -										
Number of park districts	3	3	3	3	3	3	3	3	3	3
Parks and open space	4,009	4,009	4,009	4,009	4,009	4,009	4,009	4,009	4,009	4,009
Beaches	8	8	8	8	8	8	8	8	8	8
Marinas	4	4	4	3	3	3	3	3	2	2
Boat basin slips	89	89	89	80	80	80	80	80	66	66
Golf courses	1	1	1	1	1	1	1	1	1	1
Tennis courts	11	12	12	12	12	12	12	12	12	12
Community centers	3	3	3	3	3	3	3	3	3	3
Home and Community Services -										
Sanitation										
Transfer stations	4	4	4	4	4	4	4	4	4	4
Vehicles	54	50	48	48	45	45	42	43	47	46
Water										
Water mains (miles)	100	100	100	100	105	105	101	100	98	96
Total yearly pumpage (in millions of gallons)	10,737	10,966	11,080	11,902	12,345	10,251	9,939	9,649	8,491	9,760
Fire hydrants	512	540	525	524	525	525	525	515	505	500

Source: Town of Southampton Police Department, Fire Marshall, Highway Department, Parks and Recreation Department, Information Systems Department, Community Preservation Department, General Services Department, Waste Management Department and Hampton Bays Water District.

(1) Per PSE&G (previously known as the Long Island Power Authority)